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THE
MERCHANTS' MAGAZINE

11

AND
COMMERCIAL REVIEW.

EDITED BY
WILLIAM B. DANA.

VOLUME FIFTY-SIX,
FROM JANUARY TO JUNE, INCLUSIVE, 1867.



New York:
WILLIAM B. DANA, PUBLISHER AND PROPRIETOR.
NO. 60 WILLIAM STREET.
1867.

HF1
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w56

ALPHABETICAL INDEX

TO SUBJECTS CONTAINED IN THE

MERCHANTS' MAGAZINE & COMMERCIAL REVIEW.

VOLUME LVI.

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EDITED BY WM. B. DANA.

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THE MERCHANTS' MAGAZINE

AND
COMMERCIAL REVIEW.

JANUARY, 1867.

THE COURSE OF PRICES.



One of the causes to which, with some show of reason, the existing languor of business has been ascribed, is the uncertainty which prevails as to the continuance of the high prices of all the necessities, conveniences and luxuries of life. The books of our mercantile firms show, in many cases, a balance on the wrong side. Business men dare not at present buy for future sale, lest they should suffer from further anticipated shrinkage in values, and be unable to dispose of their goods without ruinous losses. A partial paralysis is thus developed in not a few of the vast distributing agencies which play so important a part in the social economy of every great modern nation. Our mercantile classes do business from hand to mouth. Prudent men are driven, in self-defence, to refuse business rather than take the risks. They are, not unnaturally, getting weary of the long suspense, which not only diminishes the government revenue from taxation, but what is more important still, contributes to the impoverishing of the people, and to the hampering of that unexampled enterprise, energy, versatility and productive efficiency which are the secret of that amazing growth in material wealth in which we rejoice above all other nations in the world. The question, what will be the future course of prices, then, is one which is being anxiously asked, on 'change and elsewhere, by all classes of our citizens. In every counting room, manufactory, steamboat and railroad car, we find farmers, mechanics, manufacturers, bankers, agitating this problem. And it is one on the solution of which the well-being of all of us, and the salvation from

bankruptcy of not a few, very much depends. Perhaps it may help some of us in such investigations if we glance back at the movements of prices during the past, and endeavor to trace out the reasons for the changes which have occurred. To facilitate such a review we have compiled a table of the wholesale prices of the leading articles of foreign and domestic produce during the past nine years. This list might have been with advantage enlarged, but it is sufficiently extended for the purpose we have in view, which is to suggest a few practical principles which our readers can use for themselves, and apply to their own special business—rather than to deduce from these principles a perplexing multitude of inferential details. We give the prices on the 3d January of each of the last eight years at New York :

	1860.	1861.	1862.	1863.	1864.	1865.	1866.	1867.
	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c	\$ c
Ashea, pots 100 lbs.	5 12½	5 00	6 25	8 50	8 50	11 75	9 00	8 50
Pearls	5 37½	5 00	6 25	8 25	9 75	18 00	11 00	13 00
Breadstuffs—								
Wheat flour, State..... bbl.	4 80	5 35	5 50	6 05	7 00	10 00	8 75	11 00
Wheat, best ex Genesee.....	7 50	7 50	7 50	8 75	11 00	15 00	14 00	16 00
Rye flour, ".....	4 00	4 00	3 87½	5 45	6 65	9 00	6 10	7 85
Corn meal, Jersey.....	3 90	3 15	3 00	4 00	5 65	8 40	4 25	5 00
Wheat, white Gen..... bush.	1 50	1 45	1 50	1 80	1 80	2 60	2 63	3 10
White, Michigan.....	1 50	1 45	1 50	1 53	1 83	2 70	2 75	3 05
White, Ohio.....	1 45	1 45	1 45	1 53	1 88	2 60	2 63	3 00
White, Southern.....	1 45	1 45	1 52	1 57	1 77	2 75	2 45	2 90
Red, Western.....	1 30	1 38	1 42	1 43	1 57	2 45	2 05	2 60
Chicago, Spring.....		1 18	1 30	1 33	1 48	2 32	1 85	2 45
Rye, Northern..... bush.	22	75	83	96	1 30	1 75	1 05	1 35
Oats, State.....	46½	37	42	71	98	1 06	69	69
Corn, old Western.....	90	72	64	82	1 30	1 90	95	1 15
Cotton, mid. upland..... lb.	11	12½	35½	66½	82	1 30	52	34
Mid. New Orleans.....	11½	12½	26	68		1 21	52	35
Fish, dry cod..... gtl.	4 50	3 50	3 50	4 50	6 70	9 00	9 25	8 00
Fruit—Bunch raisins..... bx.	2 53	1 75	3 20	3 50	4 00	5 56	4 40	3 55
Currents..... lb.	6	4½	9 13½	13½	15	21	15	13
Hay, shipping..... 100 lbs.	1 00	90	77½	85	1 45	1 55	75	1 25
Hops..... lb.	16	25	20	23	33	40	50	65
Iron—Scotch pig..... ton.	24 50	31 00	28 00	33 50	45 00	63 00	52 00	50 00
English bars.....	53 00	53 00	57 00	77 50	90 00	190 00	130 00	105 00
Leads..... per M	2 00	1 80	1 25	1 45	1 60	4 40	5 00	3 25
Lead—Spanish..... ton.	5 65	5 15	7 00	8 00	10 50	15 00	10 00	7 00
Galen.....	5 77½	5 50	7 13½	8 00	10 50	16 00		
Leather—hemlock, sole..... lb.	30	10½	30½	27	30 00	42	36	32
Oak.....	30	27	23	23	42	52	29	34
Lime, com. Rockland..... bbl.	75	75	65	85	1 35	1 15	1 10	1 70
Liquors, brandy, cog'c..... gal.	8 25	2 00	4 00	5 25				
Domestic whiskey.....	26	19½	20½	39	94	2 24	2 27½	2 35
Molasses, N. Orleans..... gal.	53	37	53	55	70	1 43	1 15	90
Naval stores—								
Crude turpentine..... bbl.	3 43½	2 75	10 00				9 00	6 00
Spirits turpentine..... gal.	44½	25	1 47½	2 60	2 95	2 10	1 05	67
Common rosin, N. C..... bbl.	1 63	1 25	6 00	10 50	30 00	28 00	6 50	4 25
Oils—crude whale..... gal.	52	51	48	83	1 10	1 48	1 80	1 30
Crude, sperm.....	1 40	1 4½	1 40	1 75	1 60	2 13	2 50	2 60
Linseed.....	87	10	86	1 27	1 47	1 50	1 45	1 34
Provisions—								
Pork, old mess..... bbls.	16 37½	16 00	12 00	14 50	19 50	43 00	28 50	19 25
Pork, old prime.....	11 75	10 50	8 50	13 50	14 50	36 25	23 50	17 25
Beef, city mess.....	9 00	6 00	5 50	12 00	14 00	30 50	30 00	18 00
Beef, repacked Chicago.....	9 50	9 00	11 00	13 00	15 00	23 00	24 00	21 00
Beef hams, extra.....	14 50	14 00	14 50	15 50	18 30	27 00	35 00	34
Hams, pickled..... lbs.	9½	8	6	8	11	20	16½	13½
Shoulders, pickled.....	6½	5½	4½	5½	8½	18	14	13
Lard.....	10½	10½	8½	10	18	22	19	10
Butter, Ohio.....	18	14	15	22	24	45	30	30
Butter, State.....	20	18	19	22	29	55	48	43
Butter, Orange County.....	24	22	22	26	32	63	50	45
Cheese.....	11	10	7	12	15½	20	13½	17½
Rice, good..... 100 lbs.	4 90	4 00	7 00	8 75	10 00	13 00	10 50	9 25
Salt, Liverpool, ground..... sk.	1 15	65	85	125	1 25	2 27	2 00	56
Liverpool, fine, A. H. tons.....	1 85	1 60	1 70	2 15	2 80	4 75	4 10	2 79
Seeds, clover..... lb.	8½	8½	7½	10½	12½	27	14	14
Sugar, Cuba, good.....	7½	6½	8½	10	12	19	13	10
Tallow.....	10½	9½	9½	10½	12	18	14	11
Whalebone, polar.....	90	88	75	1 65	1 60	25	1 55	1 37
Wool, fleece.....	80	30	50	60	75	95	75	65

We have chosen for our comparative exhibit the dull season of the opening year, because, for obvious reasons, many of the perturbing influences which often derange supply and demand are then more quiescent than usual, so that the normal level of prices may be expected to be more nearly reached than at any other uniform periods a year apart. Let us now see what the review teaches us. And, first, it shows that with the exception of wheat, cotton, rosin, iron, and a few other articles, whose fluctuations in the market are partly due to causes that are not far to seek, the general course of prices was steadily upward from the commencement of the paper money era, in January, 1862, until the issues reached their highest aggregate in 1864. This rise in prices, though often explained, is still misunderstood in some quarters. It was produced in accordance with the well-known law that "redundant money is depreciated money." When a forced issue was made of paper dollars, these dollars gradually sunk in value, and of course prices were proportionately larger when expressed in such dollars. To illustrate this, we may suppose that the excessive issue had been carried, as it was in the rebel States, as well as in the War of Independence, to such a point that the dollars were only worth a dime; then it is obvious that prices would be expressed in these small depreciated dollars by a removal of the decimal point, so that \$10.00 in coin would be equivalent to \$100.00. All history and all experience proves the uniformity of this general law, that prices rise under a depreciated currency, whether the dilution and loss of value be produced by a debasing of the coin, as in ancient Rome under the tribunes, and in modern France during John Law's daring financial manipulations—or whether, as in more recent days, the same end has been reached by redundant issues of irredeemable paper money. This last experiment has been tried in Prussia, in France, in Austria, in England, as well as on this continent, and always with the uniform result that in proportion as the currency is overloaded and redundant it loses its purchasing power, more of it is wanted to make a given purchase, or, in other words, prices universally advance. It has been observed, however, that this advance is not uniform. Some commodities rise more rapidly than others, and sooner float on the rising current of inflation. The earliest movement is usually in gold, which is the most sensitive commodity in the market, next follow stocks, and other easily convertible property; afterwards the various necessities and luxuries of living, then the wages of labor, and last of all real estate, with other fixed investments. Such, in brief, is an account of the effects of inflated currency on prices which was given by one of the leading writers on finance in England during the paper money period at the beginning of this century. And it reads very much like a history of what has taken place among ourselves during the last five years. But, secondly, the phenomena of advancing prices which we have endeavored to analyse are not developed without numerous spasms and violent oscillations. These are aggravated by the speculative manoeuvres of shrewd men, who combine in powerful cliques to make gain by the mutations of values, and do not scruple, with that view, to resort to mischievous expedients that they may precipitate a fall or "rig the market" for a rise. In our own case, other perturbations of prices, as we have repeatedly shown, arose during the last three or four years from our excessive and badly adjusted taxation, as well

as from a number of causes which, during the war, either increased the cost of production, or gave a monopoly to a few persons, or deranged in some other way the equilibrium of supply and demand.

Let us now turn to the other side of the picture. As prices rise when the currency is expanded, so they fall as it is contracted, only with this difference, that there is very much more danger of the spasms and violent movements in prices during a season of contraction, because of the derangement of public confidence and the mischief which is caused in the money-market whenever the contraction is not made skilfully, slowly and at the right time. In view of this fact there are not a few persons who look for violent fluctuations during the current year in the value of many speculative commodities, especially of such securities as are the most speculatively dealt in at the Stock Exchange. As such stormy oscillations in prices offer chances by which a large class of persons in Wall street and elsewhere hope to make large fortunes, influences are ever at work to induce the Secretary of the Treasury, the members of committees, and the leading members of Congress, to propose something which shall seem likely to unsettle financial affairs, and to provoke alternate fears and hopes as to the policy of the Treasury and its effect on the money market.

The only suggestion we shall offer as a deduction from the whole of these facts is that the people need and must have a fixed financial policy. Congress is held responsible by the country. Let the policy of gradual safe contraction, of wise remission of oppressive taxation, of publicity in all the doings of the Treasury, be settled and fixed so that every man may know what to expect in the immediate future, and then the descent from our inflated values to safer and more legitimate prices may perhaps be so slowly and gradually effected that our public interests will not be sacrificed nor our public prosperity long interrupted. Or if this is too much to realize, the present intolerable uncertainty and suspense would at least be at an end.

A SOLDIER'S REASONS AGAINST EQUALIZING BOUNTIES.

Of course a *soldier's* reasons have no need of a preamble.

1st. There is no honest, urgent demand for this measure. One of the shrewdest maxims of the Legislature is to follow not lead. It may suffer some abuses to remain after their due time, but it saves an infinite amount political romancing and knight-errantry, far more mischievous. Walpole's principle, *Quæta non movere*, was sound and just; and it was only his extension of it to oppose an actual public sentiment—probably the most powerful and unanimous that ever gathered against a British Minister—which cost him his place and so large a portion of his past fame.

There are two reasons why such a public sentiment should be the condition precedent of legislation. The first, as expressed by Machiavelli, is that, while a people make many mistakes, they make fewer than any individual. The second, and of peculiar force in a free Government, is that upon the acquiescence or support of the people must depend the value or even safety of such enactments.

Now, of such a public sentiment there is in the present case hardly a sign. The parties to it would be two, soldiers, and the citizens at large. The latter class have no desire to be taxed fifty or or seventy-five millions a year beyond the present enormous burdens, but are ready, in their generosity and gratitude, to do anything that seems really necessary or just. Certainly no strenuous pressure can come from them. Of the soldiers it may be said that no spontaneous, earnest demand has been made or will ever be, for the equalization of bounties. The writer went into service as an enlisted man of an infantry regiment. His acquaintance with all ranks of the army is as general as four years of campaigning would naturally make it,—and yet he never heard two soldiers talking together of the proposed bounty bill as of something which was right, and should be pressed through. Nor does he believe that there has been any considerable feeling among the actual soldiers of the republic, at the bottom of all the demonstrations that have been made. The whole movement has had its origin with demagogues, generally in local primary interests, in the hope of getting soldiers' votes. Our simple-hearted veterans have been approached by these pure patriots with suggestions that they might as easily as not obtain a few hundred dollars from the public purse, by making a claim for it. If any conduct was ever litigious in the worst sense, and deserved all the common law penalties against those who make strife to profit by it, theirs has been. The whole thing has been "got up," and looks so. The men, who have urged the matter to its present point, are just as much friends of the soldier as those disreputable practitioners who excite lawsuits on shares, are friends of the community.

2d. The expense of such a donation.

I do not mean the large amount to be so distributed, but the cost over and above all the soldiers will get. This is the great argument against all unnecessary assumption by government, either of charity or business enterprise. Ancient Athens used to bestow on each citizen a largess, on Theatre days, of two *oboli*, the price of admission. The political economy of that date had not mastered the principle that the two *oboli* given, cost the recipient three or four. The revenue of the city was derived, say, from customs taken on the Hellespont, but these raised the price of wheat at Athens far more than enough to compensate the gain. It would probably be a reasonable estimate that every dollar of taxes raised by this nation cost the consumer, in enhanced prices, two dollars. Hon. George Opydyke, in his treatise on Political Economy, (p. 211,) makes the expense of collecting revenue by customs (including the enhancement of profits, &c., as merchandise passed through its several stages of exchange) "seventy-seven per cent. on the net amount collected by government." But this is only the first effect. The cost of foreign goods thus raised, the domestic producer, himself a consumer of these, must put up his own prices somewhat to correspond. Without any attempt to determine exactly what the proportion is, there can be no doubt that the general exaggeration of prices throughout the community would be as great as has been stated. Now, a raising of prices is a good thing when it results from an enlarged demand and a widening market; but when it is caused either by taxation or speculation, its only effect on the healthful and permanent industries of the country must be evil, and thus continually.

It is, of course, a consideration of no small moment, whether the ad-

vantage to be obtained from making such a donation to our soldiers will be at all commensurate with the sacrifice to the other interests of the community. I may be very glad to give a man a dollar, says Susan Nipper, but it does not follow that I shall if it is to cost me two.

3d. Another reason against this ill-timed generosity is, that while it costs twice as much as the soldiers get, no considerable portion of it will ever be applied to a useful purpose. This is a matter that appeals to common observation. If a man gets a gratuity, how does he commonly spend it? Does he not at once think of some little luxury, elegance or indulgence which he has long wanted, but which he never would have paid for had it come from his daily earnings? What a man has no claim to, and has not expected, will always be looked at in this light. It is over and above his estimates of living, outside of his plans for the year; and will be very likely to go for some object, perhaps not hurtful, perhaps even well enough in its way, but certainly not of importance to demand that the laboring class should be more heavily burdened than at the present grievous times. And not only would the bounties (and they would be bounties indeed) be taken out of productive industry, but, in the case of each and every person receiving them, there would be a shock to the Principle of Frugality, which it is so desirable to cultivate, since from it is to arise the whole future wealth of the country. The same reason which makes it economically mischievous that a laborer should draw an hundred dollar prize in a lottery, would prove it injurious that six hundred millions should be distributed as a gratuity among any class in the community. This principle applies equally to all, and is true of the best and most discreet of our soldiers. But we well know that there are thousands and scores of thousands of our veterans, generous, gallant fellows as they are, who with three hundred dollars put into their hands by Government, would imagine they saw the finger of Providence pointing to a barroom, and be hurried away into one of those "good times" which leave only repentance and disgrace. Can we afford to spend so much money in this way, to take a sum so gigantic from our factories and farms, to lavish it on places of idle or vicious amusement?

The matter of first importance to any people is that wealth shall be applied reproductively. Upon this depends happiness, security, self-respect. Do we promote or hinder frugality by equalizing bounties?

4th. It would go far to render our National debt a perpetuity.

This is the great economical evil before us. If the people can be brought rightly to regard a national debt, which is always and only a national curse, it is now entirely practicable by strenuous effort and rigid economy to remove in a single generation the monstrous *incubus* which weighs upon our industry. Then all our interests may develop freely and strongly, political corruption will be materially lessened, and the condition of the laboring classes would more and more approach that of the ideal state.

But a glance will show that the addition of some hundreds of millions to the debt would make it far more hopeless, and would greatly discourage every effort to throw it off, except, indeed, by that way which ruins good name and fair prospects at once, repudiation. We need all the arguments we can urge, all the incentives we can apply, to bring the people to submit to that severe and painful taxation which alone can save them from the dismal financial condition of Europe. With such an addition to the debt as is here contemplated, escape would be almost impossible.

5th. It would bring in other waste of the public money. It would help every weak and foolish scheme of appropriation. As far as it has been discussed in the National or State legislatures, thus far, it has managed almost invariably to associate itself with some other attacks on the Treasury. In Congress, it went through with that savory item by which self-denying members raised their own pay seventy odd per cent at a stroke. In the Massachusetts General Court, it took along a comrade through every stage of the passage. Nor is this association accidental. Wherever it goes it will have a crowd around. It is the very restoration of the Jews to every lobby agent in Washington. This is the curse of our politics. One wasteful appropriation is an argument for another, just as much as rolling half way down hill is an argument for rolling to the bottom. There is a league between all that seek the public crib, not the less formidable that it arises not from contract but from instinct. There is notsoever the relief competition about it, since logrolling only increases to become more costly. Every plunderer thinks well of any other scheme for bleeding Uncle Sam. "There is honor among thieves"—ten times as much, indeed, as between honest men—for the interests of honest men may and do lie apart, but the pleasure of seeing "the kindred and friends agree" may be had at any time for only looking into the Congressional lobbies.

At the present time, and with our American politics, a great danger lies before us. Extravagance and corruption were never more powerful and threatening than now. All good citizens, all honest men, all substantial property-holders should unite to condemn and defeat every scheme of public appropriation that does not show a sufficient and convincing reason for itself, to condemn and defeat their authors, agents and sympathizers at every point in their political career.

We have accumulated five reasons against paying out so many hundreds of millions for bounties, although we are aware that an influential weekly of New York has just discharged a new cannon of criticism; that no human institution or policy "is subject to more than two, or, in extreme cases, *three or four* sound logical objections." Five counts, it seems, are fatal to a scientific indictment. What a relief it would have been to "meetin'-goers" in the olden time to have known as much as this, and choke the minister off at his "fourthly" with a stern "thus far and no further." Live and learn. Meanwhile, our readers may cross out just which one of our reasons they can best spare, to make up the sacred number four, and give validity to the remainder.

No! Let the unbought men of 1861 be content with their proud pre-eminence among the soldiers of the Union. To accept a bounty for the service they have rendered would be to accept something of degradation, at least something of derogation. "Three hundred dollars and a cow" are not needed to make up their recompense. They bear it about in their hearts. They shall surely find it in the congratulations of their countrymen. All that the nation can give without impoverishment and its moral and social evils should be given, not as bounty, but as pension; not promiscuously to the discharged, but with discrimination to the disabled and bereaved. Double, quadruple, if you please, the scanty dole on which the shattered veterans of the war must subsist, or which only half stops the mouths of an hundred thousand orphans; but save the country this wasteful, purposeless extravagance, having its beginning in the arts of the demagogue, and its end in no good whatever.

TUNNELS.

While much which modern research claims as discovery has proved to be what the world had long since forgotten, the construction of highways through mountains and avenues beneath the surface of the earth appears to be able to maintain its claim to originality. Former engineering skill conveyed water over chasms by expensive aqueducts; and the causeway of King Solomon and the roads of the Incas of Peru, are examples of the former progress in this art of makingway over the gulfs which are sometimes apparently impassable. But the present method is bolder and more aggressive. Instead of "overturning mountains from their roots," they are pierced through their very centre. Chicago has done a greater feat; that of burrowing under the bed of Lake Michigan for a distance of two miles, to obtain a supply of water pure from the contaminations of foreign matters, and ample for the wants of the millions that are yet to make up the population. London has descended below the surface of the earth to excavate a thoroughfare, and even bridged the river Thames from beneath for the purpose. Now, the people of Chicago are preparing another tunnel under their river, and the capitalists of England are estimating the feasibility of a tunnel and railway under the Channel from Great Britain to France. In a former geological period the sites of London and Paris were under the same lake; how great the contrast if they should be connected by a subterranean and subaqueous railway.

Mr. Hawkshaw, one of the most successful engineers of the United Kingdom, has actually employed two years upon an investigation into the subject of effecting a submarine passage across the English Channel. Borings have been made in the neighborhood of Dover, and likewise between Calais and Boulogne, and also in the mid-channel, to ascertain the geological structure of the crust of the earth, and the practicability of the enterprise. We have not heard of his conclusions; but he proposes the construction of a tunnel which will communicate on the French side with the North of France Railway, and on the English side with the Southeastern and London, Chatham and Dover railways, so that there will be an unbroken line of railway communication between London and Paris. The excavation itself would be made from both ends; also from shafts in the channel. At the top of the shafts powerful steam engines would be erected for pumping, for drawing up the excavated material, and for supplying power to the machinery employed.

Mr. Joseph Dixon, of the city of New York, has patented a mode of constructing submarine and underground railroads that deserves favorable attention. His plan is to have a tunnel of iron cast in parts and sections, each part and section to vary as circumstances may require. For an underground railroad he would excavate the earth from the surface to the required depth and width; lower the various parts and fit them. For loose or watery soil, or in the case of a subaqueous railway, the sections would have closed sides; the arch and sides to be supported by columns or ribs when necessary, and the joints to be by tongue and groove, and to have felt or sacking between them, so as to render them watertight. In this way both the Hudson and the East river could be traversed

from beneath with ease, safety and celerity, which are not practicable with our present ferry-boats. Mr. Dixon is now pressing this mode of construction upon the members of the "West Side Association," and others interested in the project of a Broadway Underground Railroad.

The most magnificent tunnel scheme of the age, if not in the history of the world, however, is the Lake Tunnel of Chicago. We can think of no analogous undertaking to compare with it, except the *Cloaca* of Rome, constructed in the pre-historical period, for the draining of the lake and marsh which obstructed the growth of the city. The tunnel was obtained by the amended charter of Chicago, approved February 13th, 1863, and by act of Congress, approved January 16th, 1864. A Board of Public Works was created, with power to carry it into effect. The contract was awarded for \$315,139; and the ground selected for the commencement of the work at the foot of Chicago Avenue. Ground was broken on the 17th of March, 1864, with appropriate ceremonies. After sinking a shaft the required depth, and lining it with an iron cylinder to protect it from the shifting quicksand, the work of tunnelling from the shore end was proceeded with.

From the shore shaft the tunnel extends two miles in a straight line at right angles to the shore. Its width is five feet, and the height five feet and two inches; the bottom and the top arches being exact semicircles. It is lined with brick masonry eight inches thick in two rings or shells; the bricks being laid lengthwise of the tunnel, with toothing joints. It had been contemplated by the contractors to make the brick for this purpose from the clay excavated by the workmen; but it was found to be full of little calcareous stones, which on burning were transformed into quicklime, rendering the bricks unfit for use. The bottom of the tunnel is 66 feet below water level, and has a gradual slope toward the shore of two feet per mile, which enables the emptying of the tunnel in case of repairs, the water being shut off by means of a gate. The work has been laid in brick eight inches thick all round, well set in cement. The lower half of the bore is constructed in such a manner that the bricks lie against the clay; while in the upper part they are wedged in between the brick-work and clay. This prevents any dangerous results from the tremendous pressure, which it has been apprehended might burst in the tunnel.

On the 24th of July, 1865, the crib for the eastern end of the tunnel was launched, towed out, and sunk in its place; Governor Oglesby and other citizens being present. On the 31st of December, the workmen having sunk the shaft, began to excavate toward their fellows, who had dug their way 4,825 feet from the shore. Their progress has been uninterrupted; and so perfect were the calculations of the engineers that when the two excavations met, on the 27th of November, they varied but nine inches from a right course, and one inch on the bottom.

What now remains is to remove the tramway used by the workmen, cleanse the tunnel, and arrange for the introduction of the water. For this latter purpose the top of the cylinder at the crib will be covered with a grating to keep out the floating logs, fish, etc. A sluice will be made in the side to let in the water, and a light-house built above to protect the crib from injury by vessels, and at the same time show the way to the harbor of Chicago.

The tunnel will deliver, under a head of two feet, twelve million

gallons of water daily; under a head of eight feet, thirty-eight millions, and under a head of eighteen feet, fifty-seven millions. The velocities for these quantities will be 1.4 miles per hour under a head of two feet; 2.3 miles under a head of eight feet, and 4.2 under a head of eighteen feet. It will be competent, under the latter conditions, to supply a million of people daily with fifty-seven gallons each. The cost of this work has been about six hundred thousand dollars.

The people of Chicago have now undertaken another enterprise; that of a tunnel under the river. The contractors have agreed to finish the tunnel for \$271,646 04. They propose to complete it in March, 1868. The tunnel is to be on Washington street, about 1,800 feet long, and resting on a foundation of concrete two feet thick. The masonry will be protected by a heavy sheathing of lead. That part of the tunnel beneath the bed of the river will be thirty-two feet below low water mark. It will be constructed in sections in coffer dams, so as to obstruct the channel of the river as little as possible. There will be two passage-ways for trains, eleven feet wide and fifteen feet high, and in the part under the river will be also a passage way to be reached by stairs at each end. The project is the first of the kind ever attempted in the United States.

In London the tunnelling enterprise has been perfectly successful. There were engineering difficulties to overcome such as are hardly to be expected elsewhere, the expansive character of the clay, the frequent occurrence of beds of sand and gravel, the sewers and drains—particularly the Great Fleet sewer, the gas and water pipes, the Grand Junction Canal, etc. But it was done at a total cost of \$14,000,000, or \$5,500,000 per mile, including the outfitting and stocking of the railway. The enterprise yields dividends; 5 per cent in 1863; 6½ in 1864, and 7 per cent in 1865. The number of passengers carried in the first six months of 1863 was 4,823,457; in six months of 1864, 5,104,385; in six months of 1865, 7,462,823; in six months of 1866, 10,303,305. The revenue has increased; in the first six months of 1863 it was £53,058, and in the first six months of the present year, £102,947. These figures would seem to demonstrate the feasibility of the proposed tunnel under Broadway as a remunerative enterprise.

The excavation of mountains to permit the carrying through them of railroad tracks is now a matter of every-day occurrence. We may very properly denominate this the Tunnel Age. The Appenines of Italy, the mountains of Provence, the numerous hills of England and Wales have been disembowelled for this purpose. The Bergen Tunnel, near Jersey City, is the admiration of engineers. The Sand Tunnel on the Pittsburg and Connellsville Railroad has just been cut through, a length of 4,700 feet, a thousand more than the long tunnel on the Pennsylvania Central Railway through the Alleghanies between Altana and Cresson. A tunnel is projected through the Sierra Nevada in California, a length of 1,700 feet for the accommodation of the Pacific Railroad; and fourteen months have been assigned for the time to be consumed in the undertaking.

The Hoosac Tunnel, considered by many to be the Massachusetts Folly, is after all the greatest bore of the Western Continent. Under the auspices of Governor Andrew, the State of Massachusetts has undertaken the work, and is prosecuting it with energy. The cost has been more than three millions of dollars, a pretty serious matter for a little common-

wealth of a million and a quarter of inhabitants, and as much more will be required. But it will go through.

The tunnel now in progress under the Alps at Mont Cenis is the boldest work yet undertaken. Heretofore the iron horse had not been able to emulate Hannibal and scale this barrier, although this may yet be done; but the engineer is fast opening for him a way without filling up the valley or bringing low the mountain. When finished it will be a lasting monument to the statesmanship of Cavour. At the time of the cession of Savoy to France ten million francs had been expended in the work; sixty-five millions being the estimate for the whole. A convention between the Governments of France and Italy reserved the right to the latter country of completing the tunnel, both countries dividing equally the expenditure. In the event of the earlier completion of the work than the time contemplated, France will pay a premium. A short time since it had reached 7,600 feet on the French side and 11,800 on the Italian. A thousand workmen are employed at each end of the perforation, divided into three gangs relieving each other every eight hours. They were making their way through quartz at a very slow rate; but the engineers were hoping to reach gypsum, when the work might go on faster. The entire extent of the proposed tunnel is 12,220 metres, of which on the first day of January last 6,900 remained to be perforated. Unless unforeseen circumstances happen, it is hoped that the entire perforation will be completed in three years more, and that the tunnel will be passable from one end to the other on the 1st day of January, 1870.

There lies an obstacle, however, in the way of the construction of these tunnels which bids fair to preclude future undertakings of the sort. They are too costly for private enterprise to undertake them. The tunnel through the Alps would never have been undertaken except for the boldness of Count Cavour, backed by the treasury of the Sardinian, afterward the Italian Government, aided by subventions from France. The Hoosac Tunnel would have been abandoned by the company undertaking it but for the aid granted by the State of Massachusetts. The improvements in the construction of railways and rolling-stock enable the ascent of mountains to be made. A road has already been constructed over Mont Cenis, and is about ready for travel. A part of it which has been already completed on the slope along the carriage road was passed over by a train consisting of several carriages at a rate of 11 miles an hour in ascending, and $9\frac{1}{2}$ in coming down. The incline sometimes attains $8\frac{1}{2}$ feet in the one hundred, and some of the turnings have a radius of only 133 feet.

Great as the importance of those projections will be to travel and commerce, there is likelihood that future undertakings of this character will be superseded by improvements in railway construction.

It has been suggested by engineers that a railroad over Hoosac Mountain would be feasible, which would, if it did not supersede altogether the occasion for the completing of the tunnel, answer for use till that event should take place. The plan of Mr. Fell for the application of steam traction to ordinary carriage-roads would answer this case admirably. Nevertheless, with all these advantages of economy of construction and earlier completion, our preference remains for the tunnel, wherever it shall be practicable, as being cheaper in the long run, safer to use, and of more permanent benefit.

RAILROAD EARNINGS FOR NOVEMBER.

The gross earnings of the following railroads for the month of November 1865 and 1866 comparatively and the difference (increase or decrease) between the two months are exhibited in the following statement :

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$497,350	\$514,840	Inc. \$17,590
Chicago & Alton.....	307,919	322,749	Inc. 14,830
Chicago and Great Eastern.....	112,965	136,911	Inc. 25,945
Chicago & Northwestern.....	840,364	1,005,679	Inc. 165,315
Chicago, Rock Island & Pacific.....	330,804	331,006	Inc. 20,203
Erie (incl. Buffalo Division).....	1,637,592	1,417,337	Dec. 220,255
Illinois Central.....	643,887	570,465	Dec. 73,402
Marietta & Cincinnati.....	116,136	110,933	Dec. 5,214
Michigan Central.....	447,669	414,604	Dec. 33,065
Michigan Southern.....	495,073	416,699	Dec. 78,383
Milwaukee & Prairie du Chien.....	226,840	244,354	Dec. 18,014
Milwaukee and St. Paul.....	346,717	337,926	Inc. 18,791
Ohio and Mississippi.....	412,553	302,426	Dec. 110,327
Pittsburg, Fort Wayne & Chicago.....	712,363	681,558	Dec. 30,810
Toledo, Wabash and Western.....	361,610	354,830	Dec. 6,780
Western Union.....	61,770	75,248	Inc. 13,478
Total (16 roads).....	\$7,541,531	\$7,330,068	Dec. \$211,453

The earnings of the Erie Railway for November, 1866, do not include those of the Canandaigua & Elmira Railroad which, since November 1, has been operated under contract by the Northern Central Company. Had these been included the decrease would have been much less than is apparent.

The earnings of the same roads for the eleven past months of the same years, are shown in the following tabulation :

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$4,882,954	\$5,237,377	Inc. \$1,585,577
Chicago and Alton.....	3,618,267	3,392,381	Dec. 210,366
Chicago and Great Eastern.....	1,004,313	1,186,752	Inc. 182,440
Chicago and Northwestern.....	7,505,985	8,392,314	Inc. 886,329
Chicago, Rock Island & Pacific.....	3,221,308	3,119,278	Dec. 101,930
Erie (including Buffalo Division).....	14,976,046	13,542,810	Dec. 1,433,736
Illinois Central.....	6,664,120	5,900,195	Dec. 763,925
Marietta and Cincinnati.....	1,080,357	1,113,851	Dec. 33,494
Michigan Central.....	4,175,677	3,851,401	Dec. 324,276
Michigan Southern.....	3,773,408	3,703,193	Dec. 70,215
Milwaukee & Prairie du Chien.....	1,575,908	1,885,545	Inc. 9,737
Milwaukee and St. Paul.....	2,363,876	2,405,870	Inc. 41,994
Ohio and Mississippi.....	8,503,698	8,098,970	Dec. 409,714
Pittsburg, Ft. Wayne and Chicago.....	7,908,099	6,904,823	Dec. 1,003,277
Toledo, Wabash and Western.....	2,679,635	3,430,234	Inc. 750,579
Western Union.....	651,553	759,563	Inc. 108,015
Total (16 roads).....	\$60,375,011	\$67,993,299	Dec. \$1,881,712

The aggregate earnings of these sixteen roads for November, as compared with those of the previous month, show the following result :

	1865.	1866.	Difference.
November.....	\$7,541,531	\$7,330,068	Decrease.... \$211,453
October.....	8,108,623	8,284,062	Increase.... 175,459
Decrease in November.....	\$567,102	\$954,051	Decrease.... \$386,912
do do p. c.....	6.99	11.52	Decrease.... 4.53

The net aggregate result of the eleven months shows a falling off from the same months last year of \$1,881,712, or 2.66 per cent. The decrease of November, 1866, from November, 1865, is 2.51 per cent.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

The British Board of Trade returns for the month of October and the ten months ending October 31, received by the last mail, show more conclusively the effect of the recent panic on the trade of the United Kingdom. A high rate for money is said to stimulate exports and to discourage imports, and the statements now at hand show precisely these results. In the export trade of that country, there is a very large increase this year as compared with 1865, viz.: of about twenty-three millions sterling, and the total for the month of October is £1,600,000 greater than in the corresponding month in 1865. With regard to imports a decline has taken place as the year has progressed, viz., from £23,243,701, the highest point touched in the month of June, to £18,356,015, the total for the month of September. Taking, however, the returns as a whole, the trade for the first ten months was most satisfactory in its extent, but it does not appear to have been so remunerative as in former years. Many branches, however, have evidently been carried on at a considerable profit, for unless large profits had been made we should certainly have heard of more numerous failures from the other side.

The declared value of the exports of British and Irish produce and manufactures during the month of October was £16,895,894, against £15,547,225 in 1865, and £12,871,491 in 1864. For the ten months, the aggregate value of the shipments was £158,832,792, whilst in the corresponding period in 1865, the total shipments were valued at £185,264,602, and in 1864 at £136,275,652. The figures for each month in each of the last three years are subjoined:

	1864.	1865.	1866.		1864.	1865.	1866.
	£	£	£		£	£	£
Jan.....	10,413,586	10,499,890	14,364,749	July.....	14,394,364	14,118,410	14,957,834
Feb.....	12,696,121	11,376,214	15,116,063	Aug.....	16,274,269	14,158,643	17,450,156
Mar.....	13,555,674	18,770,184	17,590,354	Sept.....	14,687,942	17,316,681	16,671,078
April.....	13,225,080	12,071,111	15,366,414	Oct.....	12,871,491	15,547,225	16,895,894
May.....	14,176,640	13,194,738	15,870,181				
June.....	13,978,536	13,297,069	14,630,120	Total.....	136,275,652	185,264,602	158,832,792

The computed real value of the imports of the principal articles of merchandize in the month of September was £10,356,015; against £21,632,731 in 1865; and £19,961,633 in 1864. The total for the nine months is £174,167,605, against £137,303,165 last year, and £160,974,110 in 1864. The following figures show the total value for each of the first nine months of the present and last two years:

	1864.	1865.	1866.		1864.	1865.	1866.
	£	£	£		£	£	£
Jan.....	7,520,556	6,398,922	9,847,564	July.....	20,458,253	19,364,190	19,597,929
Feb.....	13,214,541	12,891,262	16,610,159	Aug.....	21,344,043	20,937,691	20,940,503
Mar.....	16,896,928	13,005,394	19,891,204	Sept.....	19,961,633	21,632,731	18,376,015
Apr.....	17,587,565	13,073,755	22,455,968				
May.....	22,592,801	14,595,394	23,224,762	Total...	160,974,110	137,303,165	174,167,605
June.....	21,496,135	15,407,668	23,243,701				

With regard to this country, the following is the total value of the exports during the nine months ending Sept. 30:

	1864.	1865.	1866.
	£	£	£
To Atlantic ports, Northern.....	£12,859,275	£7,325,990	£16,968,044
Southern	257,196	279,000	21,883,970
Pacific ports	383,116	65,668	190,124
Total	£13,499,587	£7,690,678	£28,942,138

COTTON.

The imports of cotton in October were 36,000 cwts. less than in 1865, but from the United States, the arrivals showed an increase of 27,000 bales. The arrivals from Mexico and the West Indies have now ceased, and from Egypt only a small quantity of the new crop has as yet been received. Our latest advices from Egypt state that the crop had been over-estimated, the total growth being expected to reach a total of 400,000 bales, or 200,000 bales less than the estimates first put forward. In the East Indies the crop is said to be looking well. The import of cotton into the United Kingdom during the ten months ending October 30 was 10,610,271 cwts., against 6,315,565 cwts. in 1865, and 6,146,796 cwts. in 1864. The particulars of these imports are subjoined :

IMPORTS OF COTTON INTO GREAT BRITAIN IN NINE MONTHS.

	1864.	1865.	1866.
From United States.....cwts.	117,726	269,215	4,109,960
Bahamas and Bermudas.....	286,874	158,607	6,418
Mexico.....	185,700	303,450	3,145
Brazil.....	279,906	351,630	546,549
Turkey.....	162,877	178,289	84,800
Egypt.....	192,419	1,256,898	786,686
British India.....	3,355,747	3,125,905	4,804,224
China.....	609,136	309,031	34,767
Other countries.....	265,411	367,545	236,267
Total.....	6,146,796	6,315,565	10,610,271

—and the computed real value of the imports for the *nine* months is as under :

	1864.	1865.	1866.
From United States.....	£1,594,460	£1,558,184	£30,424,884
Bahamas and Bermudas.....	3,423,237	1,379,306	46,816
Mexico.....	2,261,430	2,453,949	28,591
Brazil.....	3,372,959	2,670,663	4,147,497
Turkey.....	1,565,160	895,879	517,354
Egypt.....	11,354,653	8,946,915	6,951,304
British India.....	24,663,138	14,181,006	19,013,950
China.....	4,945,209	1,449,687	144,640
Other countries.....	2,955,008	2,651,768	1,564,136
Total.....	£66,334,266	£36,187,355	£62,833,122

The exports of cotton from Great Britain are about 950,000 cwts. in excess of last year, all importing countries having taken an increased supply. The total for the ten months is 3,032,450 cwts. against 2,186,456 cwts. in 1865, and 1,876,040 in 1864. These amounts are thus distributed :

	1864.	1865.	1866.
To Russia, Northern ports.....cwts.	220,727	265,742	370,957
Prussia.....	12,586	36,597	55,597
Hanover.....	45,400	14,673	5,618
Hanse Towns.....	489,453	545,098	698,509
Holland.....	870,765	351,718	477,268
Other Countries.....	787,009	979,338	1,424,510
Total ...	1,876,040	2,186,456	3,032,450

BREADSTUFFS.

This market has now assumed an important position throughout the world, and a considerable rise has taken place in prices since the 1st of September. In England the rise is as much as 17s. 6d. per quarter of eight bushels, and in other countries the advance is equally important.

In England the crop is somewhat below an average; but a considerable proportion has been harvested in poor condition; hence, the whole of the crop is not immediately available for consumption. In the northern counties this is especially the case, and millers in those districts are therefore compelled to go south to purchase the drier and better harvested wheats produced in that quarter. The French crop is certainly not so deficient as many persons would have led us to expect, and it is now a certainty that not only will the cargoes which had been purchased at Black Sea ports be ordered to England, but that, without these, exports of flour from French to English ports will shortly take place. Large supplies of Russian flour have for the last few weeks been received into the eastern English ports, at the rate of about 25,000 sacks of 280 lbs. weight per week; but as the navigation of the Baltic would shortly close, a termination to these importations would ensue. The Prussian crop of wheat has certainly been injured by the recent war, for although prices are so high in England, the imports from the ports of Danzig, &c., show a considerable falling off from last year. The accounts we have received from the south of Russia are confirmatory of the excellent crop produced in that quarter. As fair supplies of wheat and large supplies of flour were expected from the Baltic prior to the close of navigation, and as there were about 700,000 quarters of wheat afloat to Great Britain from the south of Russia at the date of our latest advices, there was a decided pause in the wheat trade, and millers showed no disposition to buy, except at reduced rates. But as the information at hand from this port was to the effect that very little produce was being shipped to Europe, holders of wheat and flour were very firm, and fully the recent advance in prices was demanded. The import of wheat into the United Kingdom in October was 1,830,569 cwt., against 3,058,269 cwt.; and of flour 258,623 cwt., against 295,396 cwt. last year. The figures for the ten months are subjoined:

WHEAT.

	1864.	1865.	1866.
From Russia.....cwt.	3,851,120	6,570,075	6,459,820
Prussia.....	4,166,759	4,600,553	3,532,490
Denmark.....	659,833	525,521	413,104
Schleswig, Holstein, & Lauenburg.....	841,370	220,957	154,223
Mecklenburg.....	559,776	522,227	653,274
Hanse Towns.....	471,097	383,117	693,464
France.....	526,930	1,226,495	3,323,975
Turkey, Wallachia, and Moldavia.....	490,249	549,277	367,443
Egypt.....	366,940	10,063	20,503
United States.....	7,577,700	951,943	440,290
British North America.....	1,033,572	204,316	8,789
Other Countries.....	379,117	880,155	2,514,537
Total.....	20,263,268	16,732,708	18,551,982

FLOUR.

	1864.	1865.	1866.
From Hanse Towns.....cwt.	977,843	195,795	237,166
France.....	1,576,904	1,997,746	3,043,633
United States.....	1,709,898	226,064	226,184
British North America.....	396,477	163,064	26,822
Other Countries.....	103,452	140,127	261,966
Total.....	4,064,574	2,723,696	4,000,396
Barley.....	4,220,626	6,634,043	6,043,810
Oats.....	4,580,066	6,439,312	7,472,011
Indian corn.....	4,751,461	5,451,722	13,149,633

PROVISIONS.

The imports of these during the ten months were not materially in excess

of last year. Prices in England continued to rule high, but as the supply of pigs in the kingdom was very large, and as the pork season had opened at very moderate quotations, it was expected that a fall in the value of salted meats would take place. The imports in ten months are subjoined :

	1864.	1865.	1866.
Bacon and hams, cwts.....	962,375	595,975	561,584
Beef, salt, cwts.....	258,967	181,526	155,815
Pork, salt, cwts.....	175,566	139,375	153,716
Butter, salt, cwts.....	790,709	844,898	839,143
Cheese, cwts.....	599,716	648,453	608,091
Eggs, number.....	291,597,940	321,485,440	337,164,400
Lard, cwts.....	199,333	99,193	230,995

LIVE STOCK.

There has been no abatement in the value of butcher's meat in England, consequently prices remain at a high point. The cattle plague cannot be said to have died away, for several cases have recently been reported; and as such have occurred, fears are entertained that in the event of the Government modifying or cancelling the present regulations in reference to the cattle traffic of the kingdom, further serious outbreaks will take place. Some of the leading farmers, who have even incurred much loss and inconvenience, are strongly in favor of an adherence to the existing rules for a further period of six months. The following are the figures relating to the imports of live stock for the ten months :

	1864.	1865.	1866.
Oxen, bulls and cows.....head	130,568	170,008	177,480
Calves.....	41,174	45,625	25,506
Sheep and lambs.....	374,710	689,398	717,888
Swine and hogs.....	58,938	99,369	65,678

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

The following table shows the declared value of the exports of British and Irish produce and manufactures from the United Kingdom to this country during the first ten months of the present and last two years :

	1864.	1865.	1866.
Alkali.....	£321,647	£366,025	£303,121
Beer and ale.....	33,982	37,852	60,067
Coals.....	£17,909	95,014	78,194
COTTON MANUFACTURES—			
Piece goods.....	1,598,851	1,772,488	2,715,794
Thread.....	177,164	184,864	284,052
Earthenware and porcelain.....	866,620	846,397	69,632
Haberdashery and millinery.....	784,281	695,765	1,016,170
HARDWARES AND CUTLERY—			
Kovles, forks, &c.....	104,901	115,473	260,209
Anvils, vices, &c.....	77,903	75,870	82,430
Manufactures of German silver, &c.....	239,210	241,956	608,599
LINEN MANUFACTURES—			
Piece goods.....	2,172,648	2,562,392	3,498,420
Thread.....	169,111	118,746	199,592
METALS—			
Iron—Pig, &c.....	203,720	128,199	250,622
Bar, &c.....	687,222	149,948	471,585
Railroad.....	798,832	832,864	942,226
Castings.....	13,919	3,793	16,242
Hoops, sheets and boiler plates.....	212,841	71,900	286,759
Wrought.....	225,683	115,137	182,735
Steel—Unwrought.....	435,355	260,065	647,338
Copper, wrought.....	14,240	32,612	37,585
Lead, pig.....	218,273	115,956	149,176
Tin plates.....	47,040	43,066	340,374
Oilseed.....	47,074	43,066	340,374
Salt.....	33,178	47,119	96,890

SILK MANUFACTURES—

Broad piece goods.....	72,199	58,021	118,155
Handkerchiefs.....	17,370	1,404	8,012
Ribbons of silk only.....	27,983	34,907	38,137
Other articles of silk only.....	75,199	97,156	90,396
Other articles mixed with other materials.....	87,215	34,646	74,839
Spirits, British.....	10,874	11,121	16,363
Wool.....	87,343	11,683	13,700

WOOLEN AND WORSTED MANUFACTURES—

Cloths of all kinds.....	691,983	398,735	830,613
Carpets and druggets.....	274,530	261,845	708,613
Shawls, rugs, &c.....	60,765	25,538	42,718
Worsted stuffs of wool only, and of wool mixed.....	1,963,886	2,339,943	3,343,305

SHIPPING.

The following figures relate to the shipping trade between this country and the United Kingdom for the month of October and the ten months ending Oct. 31 :

AMERICAN VESSELS ENTERED AND CLEARED INTO AND FROM ALL PORTS.

	Number.	Tonnage.
Entered in October, 1864.....	24	23,136
do do 1865.....	33	37,571
do do 1866.....	17	18,970
Entered in ten months, 1864.....	378	408,159
do do 1865.....	297	295,361
do do 1866.....	359	376,104
Cleared in October, 1864.....	43	50,636
do do 1865.....	49	52,578
do do 1866.....	45	51,081
Cleared in ten months, 1864.....	374	404,154
do do 1865.....	307	314,087
do do 1866.....	453	461,804

VESSELS OF ALL NATIONALITIES ENTERED AND CLEARED INTO AND FROM AMERICAN PORTS.

	Number.	Tonnage.
Entered in October, 1864.....	80	64,641
do do 1865.....	84	68,761
do do 1866.....	73	77,570
Entered in ten months, 1864.....	998	891,182
do do 1865.....	498	549,341
do do 1866.....	1,341	1,314,042
Cleared in October, 1864.....	69	82,343
do do 1865.....	113	118,769
do do 1866.....	143	153,931
Cleared in ten months, 1864.....	968	1,018,632
do do 1865.....	783	878,492
do do 1866.....	1,315	1,280,363

SOUTHWESTERN (GA.) RAILROAD.

The Southwestern Railroad leaves the Central of Georgia (Savannah to Macon) at Macon, and extends to Albany, giving off branches to Butler (where the Muscogee Railroad commences, and runs to Columbus), and to Eufala and Fort Gaines. The following shows the length of these several constituents :

Main line—Macon to Albany.....	106.10 miles.
Branch—Fort Valley to Butler.....	22.00 "
" Smithville to Eufala.....	59.08 "
" Cuthbert to Fort Gaines.....	21.69—109.97 "
Total length of road and branches.....	209.07 "

The Fort Gaines Branch, from which the iron had been taken dur.

ing the war, was not in use for the fiscal year 1865-66, and hence the length of road operated was only 187.18 miles. The relaying of that branch, however, has since been accomplished.

The motive power on the road during the year consisted of 20 locomotives, besides which the Company have two others not in use. The car stock at the commencement of the year embraced 13 first-class and 7 second-class passenger cars, 8 mail and express cars, 12 conductors' cars, with 103 box, 53 platform, 4 stock and 3 provision cars. During the year the Company purchased from the United States Government 32 box and 15 platform cars, increasing the rolling-stock by that number.

The business of the road in 1865-66, as compared with that of 1859-60, shows, as might be expected, a considerable falling off. The total quantity of cotton transported during the year 1865-66 was 87,250—in 1859-60, 206,307 bales; a decrease of 119,057 bales. The quantity received at Macon in 1865-66 was 29,133 bales; in 1859-60, 32,641; a decrease of 3,508. Of this, the quantity from Columbus was in 1865-66, 1,660 bales; in 1859-60, 138 bales; an increase of 1,522 bales. The great loss has, therefore, been the receipts from the Southwestern Railroad proper; and the general loss on the quantity carried South to Eufala and Fort Gaines on the Chattahoochee for shipment to the Gulf.

The number of passengers carried during the year 1865-66 was 115,787, being an average of 317 per day. The average in 1859-60 was 353. The receipts from traffic, compared with those of 1859-60, were more favorable than the material business. The following statement shows the whole in detail, thus :

	1865-66.	1859-60.	Increase.	Decrease.
Up-freight, through.....	\$114,730 64	\$99,604 34	\$15,121 40	\$.....
Way.....	214,214 98	104,209 51	110,005 47	.....
Down-freight, through.....	66,479 73	111,597 66	.....	45,117 97
Way.....	111,864 14	102,373 41	9,491 73	.....
Up-passengers, through.....	30,338 30	39,649 65	.....	9,306 45
Way.....	16,983 85	78,923 36	.....	56,939 51
Down-passengers, through.....	130,569 20	46,993 18	83,576 02	.....
Way.....	130,168 25	68,634 11	61,529 14	.....
United States Mail.....	.....	23,062 55	.....	23,062 55
	\$815,343 98	\$670,368 67	.....	\$144,715 31
Miscellaneous earnings.....	41,501 63	6,527 20	34,974 43	.....
Total.....	\$856,845 60	\$676,895 87	\$314,698 18	\$184,748 78

—making a net increase of receipts in 1865-66 of \$179,949 73.

Total freight earnings in 1865-66, were.....	\$507,289 48
“ passenger “ “	308,064 50
Miscellaneous “ “	41,501 63
Total receipts	\$856,845 60
Current expenses same year.....	513,044 13
Net earnings same year	\$343,801 47
To which add new bonds issued for construction.....	58,000 00
Making a total sum of	\$401,801 47.

From this the following were paid, viz. :

February dividends of four per cent.....	\$127,936 00
Interest on bonds to date	73,513 34
Revenue tax.....	26,834 85
Bonds paid to date.....	60,500 00
Annuity three years to city of Macon.....	3,750 00
Paid for construction.....	40,584 20
Paid for 47 freight cars.....	36,588 00
Macon depot.....	60 00—\$70,096 39
Leaving a surplus of.....	\$31,706 89

Included in these payments are the bonds due in 1862-3-4-5, amounting to \$60,500, which had not been presented as they fell due; also the interest coupons accrued prior to 1865, and retained in the hands of holders upwards of \$50,000 and the cost of freight cars \$36,598, being together an extraordinary addition to charges of \$147,098.

The financial condition of the company as shown on the general ledger as of the 1st August, 1866, is shown in the following statement:

Share capital	\$3,308,400 00	Construction	\$3,350,605 67
Funds for extending R.R.	66 00	Locomotive engines	110,660 14
Bonds (20 years)	328,000 00	Passenger cars	24,000 00
(10 years)	58,500 00	Freight cars	131,598 00
endorsed (20 years)	51,000 00	Macon depot	51,629 63
Fare tickets issued	21,080 00	Tools and machinery	10,300 00
Freight earnings since August 1, 1865	513,178 64	Lands and negroes	58,185 00
Passenger earnings since Aug. 1, 1865	323,152 28	Current expenses '65-'66	\$3,761,978 44
Due other roads	5,105 63	Other payments '65-'66	513,044 13
Unclaimed dividends	111,550 00	Stocks of other comp'ies	104,198 19
Premium and discount	1,088 57	Agents and others	39,178 66
Bills payable	12,532 04	Suspense account	9,469 52
Profit and loss	179,919 79	Dividend No. 25, paid	99,761 42
		Balance	101,906 00
			179,019 63
Total	\$4,308,552 99	Total	\$4,308,552 99

The balance consists of—

Cash on hand, as per Cash Book	\$37,641 38
" deposit at Bank	18,227 45
" (Confederate money) in Central R.R. Bank	55,868 83
Bills receivable	102,443 68
Total	\$179,019 63

This is a very fair showing, but only such as might be expected from such a company which from the first has been conducted with great economy. The road is a first class one for the South, and was built and equipped for cash (chiefly share capital subscribed almost wholly within the State) at a cost of \$18,000 per mile. On this sum it had never failed to pay dividends until that of August, 1866, which was passed because of the large extraordinary expenses disbursed on account of bonds and coupons past due. For the future the Board sees no reason why regular dividends should not be declared and paid to the stockholders of at least eight per cent per annum." To meet the exigencies of the times, however, the tariff of charges for freight and passengers has been raised fifty per cent above that of 1860, and this will have to be maintained until the prices of labor and material warrant a reduction.

LIFE INSURANCE—RIGHTS OF SOUTHERNERS WHOSE LIVES WERE INSURED IN NORTHERN COMPANIES.

A decision was lately rendered by Judge Robertson of this city in an action against the Mutual Life Insurance Company of New York which defines the rights of Southerners whose lives were insured in Northern Companies on the breaking out of the war. It seems that the plaintiff, a resident of the State of Alabama, had a policy on his life for \$1,000 insured by the defendant. That during the war he continued to pay the

premium to the company's agent in Alabama, in confederate currency, and as soon as practicable after the war closed offered to pay the premium due in that year to the defendants, who refused to receive it, claiming that the policy had become forfeited by non-payment of the premiums for the four previous years (1861, 1862, 1863 and 1864.) The plaintiff then tendered, in the year 1866, the amount of premiums for five previous years, with interest from the time when they became due, which the defendants refused.

The defendants demurred to the complaint setting forth these facts assigning for cause: 1. That the court had no jurisdiction of the subject of the action. 2. That the complaint did not state facts sufficient to constitute a cause of action.

The questions raised on this demurrer having been argued Judge Robertson delivered the opinion of the court which was in substance as follows:—No obligation was imposed upon the plaintiff by the terms of the policy in question. It bound the defendants only to pay to his representatives a certain sum after his death, upon the performance by him of certain conditions, which were entirely at his option. The only means they had to secure the performance of such conditions was his own sense of self-interest, in not losing the advantages of their contract, as such conditions consisted mainly of periodical payments of certain sums of money, he was required to relinquish all right to reclaim any money previously paid by him, in case at any time he should neglect to pay those payable subsequently.

The rights of the plaintiff under the policy, and by virtue of his membership of the corporation of the defendants, with the exception of his right to a share of the profits of the latter, and that of his representatives to the payment of the sum insured in case of his death are so nearly identical, that they must be governed by the same principles. No case is made for claiming such share by alleging profits, the equitable allotment of a share of them to the plaintiff by the Trustees of the Company under the 13th section of the charter, or a demand for them and non-payment. Of course, while the plaintiff is alive, any contingent right of his representatives cannot be determined in advance.

I do not see very clearly what or upon what this Court can adjudicate under these circumstances. I mean make an adjudication; not merely promulgate an opinion. The objection perhaps does not rank very precisely as one of those to jurisdiction over the subject of action, but it is rather one to the sufficiency of the cause of action stated. No account can be decreed of profits made by the defendants for the reasons already stated. The Court cannot make a declaration or proclamation of its opinion to the world now, to be of any avail to the plaintiff's representatives in recovering the amount insured hereafter; no transfer or vesting or divesting of rights would ensue from such a declaration, and nothing could now be decreed to be done as a consequence of such a declaration. *Rooke vs. Ld. Kensington*, 2 Kay & J. R., 753. *Grove vs. Bastaid*, 2 Ph. Ch. Ca., 619. *Jenner vs. Jenner*, Law Rep., 1 Eq., Pt. III., 361, *Baylies vs. Payson*, 5 Allen Rep., 488.

Such a judicial declaration appears to be only known to the system of jurisprudence peculiar to Scotland. *Bell's Principles*, &c., §2,252.

If the present complaint were directed to the restoration of any rights

of membership in the corporation of the defendants of which the plaintiff is deprived, this Court could give no relief even as a Court of Equity, since the proper remedy is by *mandamus* to restore him to such rights, of which the Supreme Court alone has jurisdiction. So that the only jurisdiction the Court could exercise would be to order a repayment of, or in other words, enable the plaintiff to rescind the contract and recover back past payments made by him, upon the ground that being past payment of an entire consideration, the defendants have either refused to perform their part of such contract or thrown such obstacles in the way of the plaintiff's performance of those conditions which would enable him to claim the advantage of it, as to entitle him to be restored to the condition in which he was before it was made.

Even assuming, however, that the policy was an entire contract to insure for a life time defeasible on non-payment was a condition subsequent and entitled to greater favor than a condition precedent, and that the present is a case of releasing the rigors of the law in regard to performing such condition. The policy and its acceptance constituted something more than a contract; they conferred a membership of the corporation of the defendants, and gave the plaintiff a right to a share of the profits of the defendants, including such very payments.

The defendants were a partnership, whose business it was to receive compensation for entering into contingent obligations, which either formed the capital by means of which such obligations were to be discharged, or profits to the partners, in case they exceeded the amount necessary to discharge such obligations. The plaintiff, by becoming a member, was adopted as a partner in an existing partnership, agreeing to contribute to its capital the sums necessary to entitle him to a continuance of the contract which made him a member, which at the same time formed the consideration for such continuance, he receiving back as a member of such partnership while he continued to contribute a share of the very sums so contributed by him as profits. But he also agreed that a failure to continue such contributions should deprive him of his membership and all right to reclaim as an individual with whom the partnership has made an unfulfilled contract the sums paid as a consideration therefore. It is manifest that such a relation stands on an entirely different footing as to the relaxation of the strict performance of conditions from that of a mere obliged or obligee. The whole business for which the partnership was formed must end, if every one availed himself of obstacles to a performance on his part to insist on the continuance of the contract. As it was entirely a matter of option with the insured to continue the contract of the company, the latter could not know why he had failed to perform the condition, by whose performance they were to be notified of such election, and would be at a loss, in entering into new and similar obligations to know on what to rely for the means of discharging them. This would be so entirely subversive of the purposes, mode of operation, and vitality of such a partnership, that such a relaxation of the rule would defeat the whole value of the contract and could not be supposed to have entered into the contemplation of the parties to it. The waiver of all right to claim such relaxation in any event is by implication as much a part of such contract as if it had been expressly stipulated in it.

But assuming this policy to be a mere contract between strangers to

each other, and that this court could make a decree or judgment available and binding on the parties, and that unexpected obstacles difficult to overcome were an excuse for the want of strict performance of the condition subsequent contained in such policy, the question still remains whether the existing state of war between the Government of this country and the insurgents, Confederate States as they termed themselves, was a justifiable excuse for the non-payment of the premiums in question. Such an excuse has two aspects—first, the physical impossibility of paying such sums, by reason of the difficulty of communication between the two parts of the country; and secondly, the prohibition of any dealings by the inhabitants of the loyal States with the rebels, or those inhabiting the country over which their dominion extended. I do not think the complainant undertakes to allege that the payment of such sums was physically impossible. Its allegations are merely that “communication was suspended,” a very indefinite phrase, and “that all payments of premiums were impossible.” It does not state how or why they were impossible, whether the plaintiff ever possessed the means to pay, or whether he made any effort. Possibility too often depends upon the will, the means and the effort to accomplish an end, for the court judicially to know that there were insurmountable obstacles to a payment, without which it is not to be considered legally impossible. (*Beebe vs. Johnson*, 19 Wend. Rep., 500.)

The history of the war shows, that however difficult and circuitous the mode was, such payments were feasible. I apprehend the plaintiff is not at liberty to substitute his own conclusion as to an impossibility for a statement of the facts which he considered as producing it so as to enable the court to judge of the impossibility. A mere state of war does not necessarily produce it physically, and can only do so when such is its legal effect.

It is, perhaps, a question not entirely free from difficulties, how far the performance of conditions subsequent by an obligee to prevent a contract from being forfeited or rescinded during a state of war, between the Government of such obligee and that of the obligor in the country of the latter is lawful. Of course no action can be maintained during a state of war by an alien enemy, nor while it subsists can any valid commercial contracts be made between the subjects of hostile powers. (*Griswold vs. Waddington*, 16 J. R., 438.)

But contracts made before can be enforced after such war, which only suspends the right of action, has ended. It has been held that it was not unlawful for a citizen of the United States within its territory to perform, during a war with a foreign Power, an act in pursuance of a contract made before such war for the benefit of a subject of such foreign Government. (*Buchanan vs. Curry*, 19 J. R., 237. How far this would extend to the act of an alien enemy or his agent within the United States to prevent a contract for his benefit with citizens of the United States from lapsing, is perhaps open to discussion. Or although such alien enemy might not be allowed to perform such acts during such war, perhaps a neutral merely domiciled in the country of the enemy might; although his goods, equally with those of an alien enemy, are liable to capture and condemnation by the adverse belligerent. (*Elbers vs. United States Ins. Co.*, 16 J. R., 128.)

But whatever may be the settled law on the subject, it does not aid the present plaintiff, who must be held, if he were allowed to tender the

amount during the war, and was not prevented by invincible necessity from doing so, not to have a sufficient excuse for not doing so; or else if such necessity was created by the illegality of dealings between subjects of belligerent governments during the war, he is not entitled to avail himself of a common calamity, which operated equally on both parties. He could not, in the latter case, be placed in a better light than if the Legislature of the State had rendered the payment and reception of such premiums illegal, and subsequently repealed such an enactment. In such cases both parties are deprived of a right in order to meet a public necessity, and although such *vis major* may excuse the performance of a covenant, it cannot be the performance of a condition which is to keep alive a contract. It is the State that in such cases, confiscates for and sacrifices to the public interest, not the other contracting party, who makes, forfeits all the benefits of the contract, if continued. It has been deemed necessary even to provide, by express statute, that the continuance of a war between the United States and a foreign power should be no part of the Statute of Limitations, where the plaintiff had been a citizen of the country so at war with the United States. (2 Rev. Stat., 295, § 32; Code of Procedure § 103.)

For the several reasons, therefore, that no judgment can be given by the Courts to affect the rights of parties; that the partnership of the plaintiff with the defendants was terminated by his non-contribution of capital or profits, contrary to the terms of the partnership agreement, and there is no equity which entitles him to be restored; that he has not stated obstacles to the performance of the conditions required of by him, so as to enable the Court to pass upon their sufficiency, and that a mere state of war between the existing authorities of the country in which he resided and the United States formed no excuse for not complying with such condition.

I think judgment should be rendered for the defendants, with the usual leave to plaintiff to amend.

INTEROCEANIC COMMUNICATION—ATLANTIC AND PACIFIC SHIP CANALS AND RAILROADS.

On March 13, 1866, the United States Senate called upon the Secretary of the Navy to furnish, through a report of the Superintendent of the Naval Observatory, an account of the various proposed lines of communication between the Atlantic and Pacific oceans—especially by Tehautepec, Honduras, Nicaragua, Panama and Atrato—with a statement of the relative merits of the routes “as practicable lines for the construction of a ship canal.” The object was to obtain such accurate knowledge in the premises as would prevent the waste of money on infeasible plans. In response to this call, Rear Admiral Davis has presented a report which admirably sums up the whole case, and lays before the country in succinct form a full digest of all surveys and other accounts of the countries in question. We give below his account of the more important routes under their respective heads, in order that the argument

and objection for and against each may be fairly seen. The route of the Isthmus of Darien is praised above all others, and at the same time that the Admiral declares that that route has not been satisfactorily explored, he still gives it as the result of all his inquiries that "it is to the Isthmus of Darien that we are first to look for the solution of the great problem of an interoceanic canal."

At the outset of the report, Tehautepec and Honduras are excluded from consideration because they "possess little merit as a practicable route for a ship canal." Thus the only localities discussed at length are the last named three, Nicaragua, Panama and Atrato :—

NICARAGUA.

There has been a time when the transit from ocean to ocean, on a line following the river San Juan del Norte, either in its bed or on its banks, crossing Lake Nicaragua and thence to the Pacific, has enjoyed special favor and attention. From Greytown to the lake the mode of proceeding has been the same in most of the plans. It has included the improvement of the navigation of the river San Juan, where possible, by excavations in its bed and by the construction of dams, which, with the rapids of the river, were to be passed by the means of locks and canals. But, from the lake to the Pacific outlet, various branches have been proposed. Three of these pass through lake Managua; a fourth terminates at Brito; a fifth at San Juan del Sur; a sixth proceeds by the Sapoa river to Salinas Bay; a seventh, keeping in the southern part of the State of Nicaragua, proposes to cut from the river San Juan through the State of Costa Rica to Nicoya gulf. Only two of these routes have been carefully surveyed, those terminating in Brito and San Juan del Sur.

There are so many difficulties attending all these routes, which detract from their "relative merits as practicable lines for a ship canal," that I should feel authorized, under ordinary circumstances, to pass over this region in a few words; but so much has been said and written about it by eminent authorities that I feel called upon to present some descriptive details.

A variety of circumstances have concurred to concentrate public opinion and favor upon this route. I refer particularly to the accidental settlement of Greytown; to the establishment of a transit through Nicaragua; the actual navigation of the San Juan river and of Lake Nicaragua; the connection of eminent names, including that of the present French Emperor; and the agricultural and mineral wealth of the Chomales region. And to these circumstances may be added the advances seemingly made by nature in offering the water communications of San Juan and the lakes, which reduce the isthmus to one-tenth of its whole breadth. Extravagant expectations have been fostered, and hasty schemes have been formed, including extensive plans of colonization—schemes that never have reached maturity.

The late Admiral Fitz Roy, in the first paper which he presented to the Royal Geographical Society on the isthmus of America, entered into a careful examination of this line and its branches, and maturely considered the value of the statements made by its advocates, and the feasibility of the project with reference to the natural difficulties to be overcome. The conclusion at which he arrived was unfavorable.

I take the pains to cite the authority of this distinguished hydrographer, because it will be received with the highest respect by all who are acquainted with his useful labors and great abilities. It is not worth while to follow him over the same ground; to discuss the statements of Mr. Bailey, on the data of the French Emperor, or to dwell upon the unfavorable conditions arising from climate, earthquakes, volcanoes, etc. I will base what I have to say upon the report of the survey made by Messrs. Childs and Ray, in the years 1850-'51, for the American Atlantic and Pacific Ship Canal Company.

The line selected by Colonel Childs proceeds from Lake Nicaragua by a short and easy route to the harbor of Brito. It traverses the lake directly to its outlet at Fort San Carlos; it employs slack water navigation on the San Juan river for a distance exceeding ninety miles, and then pursues a canal, independent of the river, to the harbor of San Juan del Norte. This plan of operation requires fourteen locks to descend from the lake to the Pacific ocean, and fourteen locks to descend from the lake to the Caribbean sea, in which last enumeration are included light locks at dams on the San Juan. There are seven dams on the river. Costly improvements, possessing the character of artificial harbors, will be necessary at the two points of departure from the lake. The seaports of Greytown and Brito, at the two ends of the line, will require costly and extensive improvements in the way of excavations, piers, jetties, breakwaters, &c. The total length of the line is a little more than one hundred and ninety-four (194) miles. It may be safely asserted that no enterprise, presenting such formidable difficulties, will ever be undertaken with even our present knowledge of the American isthmuses. Still less is it likely to be entered upon while such strong and well founded hopes are entertained by the promoters of the union of the Atlantic and Pacific oceans of finding elsewhere a very much easier, cheaper and more practicable route for a canal, in every way suited to the present demands of commerce and navigation. The relative merits of the Nicaragua route as "a practicable line for the construction of a ship canal" do not require further consideration.

I have taken Childs' survey as a standard. I will therefore mention that it is regarded by Squier and other competent authorities as the authentic and reliable survey of the Nicaragua route; and, further, that in March, 1852, his drawings, reports and estimates were submitted to the examination of Colonels Abert and Turnbull, United States engineers. Squier's language in regard to the survey is very emphatic; he says, "Childs' survey is the only one to be accepted as conforming to modern engineering requirements." Childs' report was further submitted by the Earl of Malmesbury to English engineers, who also questioned its author personally. They reported that, "presuming Colonel Childs' data and statements to be correct, the harbor of Brito is, in size and shape, unworthy of this great ship navigation."

CHIRIQUI.

The next line in the order of our enumeration is Panama; but there lies between Nicaragua and Panama another isthmus which has been

thought of more than once as a convenient place of transit—the Isthmus of Chiriqui.

The best information concerning this route is derived from the examination made by the Chiriqui commission commanded by Commodore Frederick Engle, United States navy, of which Commander Jeffers was the hydrographic engineer, and First Lieutenant J. St. Clair Morton, who fell at Petersburg, the topographical engineer. Commodore Engle describes the harbor of Chiriqui as "large, deep and well protected." Commander Jeffers confirms the accuracy of the survey of Captain (now Rear-Admiral) Barnett, royal navy, and adds: "No finer harbors can be found than those on the Atlantic side, Shepherd's harbor included. He says also of Golfito, in Golfo Dulce, on the Pacific side, that "it is unsurpassed in natural facilities, * * * three streams, the Golfito, Coisal and the Canaza enter the harbor and afford an ample supply of fresh water." Lieutenant Morton landed at Frenchman's creek and crossed the isthmus twice, in doing which he explored a swamp of great extent, and discovered a hitherto unknown pass through the Cordilleras. His examination resulted in "the conviction that it is entirely practicable to connect the harbors by a line of railroad adapted to commercial purposes." But since Lieutenant Morton describes his work as a reconnaissance merely, made with the Schmalcalder compass, and has left no map, journal or note book in the archives of the War Department, I am unable to trace his route precisely, and have accordingly laid it down on the general map with a broken line.

Mr. Evans, the geologist of the Chiriqui commission, made examinations to ascertain the extent and value of the coal deposits on the Chiriqui lands. He found "coal seams varying in quality from lignites to semi-bituminous and semi-anthracite coals." * * * "The supply is abundant." He found "gold and ores of iron, copper and platinum, * * * a rich mineral region." The plains are described as being fertile and abounding in timber. Concerning a portion of the province of Chiriqui known as the Territory of Burica, we have some interesting information from J. H. Smith, of Panama, a Fellow of the Royal Geographical Society. I have cited him among my authorities for the convenience of the future student or explorer, when the region is again brought under examination.

PANAMA.

There is no part of the American isthmus with which we are so well acquainted as the old route of Porto Bello or Chagres to old or new Panama, the established line of communication since the year 1532—that is, since twenty three years after the first settlement in America. The surveys made by the engineers of the Panama railroad have established the important fact that the difference between the mean level of the two oceans is either nothing, or so slight as to present no obstacle to the construction of a canal. The difficulties pertain altogether to the climate, to the elevation, the nature of the soil and the supply of water.

The harbors which would form the termini of the canal are, on the Atlantic side Navy Bay, and on the Pacific side the bay of Vaca del Monte. We know that Navy Bay is an insecure anchorage at certain periods of

the year, and the harbor on the Pacific is altogether insufficient for vessels of even moderate draught. M. Garella is obliged to include in his estimates the sum of a million and a quarter of dollars for the improvement of this harbor. I have entered into these details of M. Garella's project because it presents a fair representation of the difficulties to be overcome in the construction of a navigable ship canal across the Isthmus of Panama proper; and in order to render this subject still more intelligible to the general reader, I have added Colonel Hughes' survey of the Panama Railroad in map No. 6, which contains the topographical features and profile of the route.

I have spoken of the Isthmus of Panama proper. Geographers have given the name of Darien to that part of the isthmus which is contained between the Panama line and the province of Choco. On this Isthmus of Darien, as we shall call it, between the Panama line and the province of Choco, there are three other lines or places which have always commanded great interest, but which have never received the attention they merit. These three routes are from the Chepo or Bayanos River to San Blas or Mandinga (also called Gulf of Manzanilla) bay, from the Gulf of San Miguel to Caledonia Bay, and from the Gulf of San Miguel to the southern part of the Gulf of Uraba or Darien, or else to some point on the lower part of the Atrato below the mouth of the Cacarica. I will take up these three in the order now mentioned.

The first of these lines, from Chepo to San Blas, has always been the subject of special curiosity on account of the jealous exclusion by the Indians of all strangers from their territory. Our accurate knowledge of the geography of the coasts on both sides, enables us to determine that here is the narrowest part of the isthmus. This is of itself an important fact, and added to this a rumor or report has been received from the Indians in this vicinity that they are in the habit of hauling their canoes on wooden slides across the Cordilleras from the Mandinga River, and launching them in the waters of the Bayanos. This rumor, which is noticed by many writers, is particularly noticed by Mr. Oliphant, the Secretary of the Royal Geographical Society, in a paper read before that society on the 24th of April, 1865. The writer of that paper made a journey from Panama to the Chepo or Bayanos River simply for a reconnaissance, and he says that the tide of the Pacific extends to within fifteen miles of the northern coast, and that he saw from Chepo a remarkable depression in the mountain chain about ten miles distant. He makes the remark, in which all will concur, that it is a discredit to the civilization of the nineteenth century that this part of the isthmus should not have been explored. This is not owing, however, to a want of effort. Attempts to cross the isthmus at this point were made by Mr. Hopkins and Mr. Wheelwright. They were both driven back by the aborigines.

It is very gratifying to have in my power to say that this discredit to the civilization of the nineteenth century has been removed by the indefatigable zeal and enterprise of Mr. Frederick M. Kelley, of New York, of whom it was justly said by the President of the Institution of Civil Engineers of London, that he "had produced more intelligible information towards the solution of this problem, of such vast importance to the commercial and political interests of the world, than had hitherto been given;" and of whom Sir R. Murchison, Vice-President of the Royal Geographical

Society, also said that he "heartily wished he might succeed in this great and philanthropic project, which so deeply interested all civilized nations." After having spent a great deal of labor and money upon the examination of the Atrato and San Juan rivers in search of a suitable route for an interoceanic canal across the province of Choco, Mr. Kelley and his friends, in 1864, took up the long deferred, but much coveted, exploration of the route from the Chepo to Gulf of San Blas. The results of this exploration are given in the annexed map, numbered 7.

From Mr. Kelley's plans it will be perceived that the whole length of the route from ocean to ocean is only thirty miles. On the north there is the admirable, spacious and deep harbor of San Blas; and on the south the channel leading into the bay of Panama has not less than eighteen (18) feet of water at mean low tide, while the ordinary rise of tide is sixteen (16) feet. I give these figures from Mr. Kelley's survey; but I must observe that this result of the examination by his engineer of the entrance of the Chepo is entirely unexpected, and does not accord with the Admiralty charts. But the most striking feature of the project, as of M. Garella's, is a tunnel, similar in its length and in other respects, to the great tunnel through the Alps at Mont Cenis, which is nearly one-half cut through, and in which the progress is so satisfactory that the period of its completion can be definitely fixed.

When the tunnel through Mont Cenis, and the still greater one through Mont St. Gothard, are finished and in use, such undertakings will cease to be regarded with the aversion we now feel towards them.

It must be observed, however, with regard to Mr. Kelley's survey, that owing to its being a private affair it was necessarily accomplished at the least expense and with the utmost expedition. It pursued a single line, without deviating to the right or left, although the surveyors were satisfied that they saw evidences of greater depression to the westward of their course; and there can be no doubt whatever that a deliberate examination, made under such advantages as would pertain to a governmental survey, would lessen the difficulties, and, perhaps, lead to the discovery of such a route through the valleys as would render a resort to tunnelling unnecessary. This subject will be resumed in the general remarks and recommendations with which the report will be concluded.

THE GREAT PRACTICABLE ROUTE—THE ISTHMUS OF DARIEN—FROM THE
GULF OF SAN MIGUEL TO CALEDONIA BAY.

The next place in order is the line between the Gulf of San Miguel and Caledonia Bay. We have here, at both ends of the line, harbors spacious and admirable in every respect, and, on the south side, there is a height of tide suited to the construction of docks for repairs, &c. It is held by many persons that no line of interoceanic canal merits serious attention unless it possesses this indispensable requisite of good natural harbors, requiring no artificial improvements, except those for the ordinary conveniences of commerce, such as wharves and docks. Certainly it will add very much to the difficulties and embarrassments, as well as to the expense of this great enterprise, to mix with it any doubtful questions of harbor improvement.

The greatest interest has always centered in this particular line on other

accounts. The first settlement in all America was in this vicinity, and the next settlement on the isthmus was at Agra, a few miles inland, on Caledonia bay. It was through this district of country that the buccaneers made frequent incursions upon the Spanish settlers, who had opened and were working mines at Cona, or Cana, and Espiritu Santo. The history of the buccaneers furnishes us with many interesting accounts of their incursions into this region. But since their topographical descriptions are not full enough to be traced on any modern map, it is sufficient merely to refer to them. It was, no doubt, owing to the success of buccaneers that Paterson was induced to settle at Darien with his Scotch colony. He derived the information on which he acted, in part, from personal intercourse with the surviving buccaneers. In one of his letters to the Court of Directors of the "Indian and African Company," cited by Dalrymple in his *Memoirs of Great Britain*, vol. 2, page 115, he says:—"Gold may be gotten in very many places. No mines are worked or looked after that yield so low as half an ounce per day to the laborer. Often they yield four ounces per day. The mine of Cana is worked by a thousand negroes."

In our own time this line of communication has received more attention than any other, except the Panama line. The governments of Great Britain, France and the United States have each undertaken its exploration with a singular want of success. One English surveyor, Mr. Gisborne, entered the country from Caledonia bay, and, after reaching the summit of Cordillera, turned back. Captain Prevost, of the royal navy, led the exploring party which ascended the Savannah from the Gulf of San Miguel to the head of navigation, and thence cut his way through the woods and swamps until he reached the Cordillera, when he also turned back. He says in the official report of his proceedings, under date of January 4, 1854:—"Although finding ourselves in the centre of the Cordilleras, and, I believe, within a few miles of the object of our search, yet, having already exceeded the limits of my stay, it became my duty to rejoin the ship without delay, still feeling confident that had time and our provisions allowed us, we should eventually have reached the Atlantic shores, and that easily, by following one of the several rivers or streams which appear to exist in this range of hills, forming certain passages to the sea."

The expedition of Strain, though it called out a remarkable display of courage and endurance under the most fearful trials, was even less fruitful of knowledge than those of Gisborne and Prevost.

I have appended a map, numbered 8, of the joint exploration of the two English gentlemen here mentioned, taken from Gisborne's report to the Royal Geographical Society. It will be perceived that the routes of these two gentlemen join on to each other. Sections of both tracks are given on the map.

The only person in our time who claims to have crossed the isthmus directly between the two great bays is Dr. Cullen. Dr. Cullen says that on his first journey into Darien, in 1849, he was totally ignorant of the existence of the Savannah River until after he saw it, after entering Boca Chica, "when," he continues, "finding the great depth of water at its mouth, and that it flowed almost directly from the north, I became convinced that I had at last found the object of my search, viz : a feasible

route to the Atlantic; and thereupon I immediately ascended it, and crossed from Cañasas to the seashore at Port Escocés, and back; and subsequently, in 1850, and also 1851, crossed and recrossed at several times and by several tracks the route from Savannah to Port Escocés and Caledonia Bay, notching the barks of the trees as I went along with a *machete* or cutlass, always alone and unaided, and always in the season of the heaviest rains. * * * And I had not the least hesitation in deciding that that must be the future route for interoceanic communication for ships.

The principal point of interest in this exploration is, of course, the passage of the Cordillera. Concerning this, Dr. Cullen says:—"From the seashore (Port Escocés), a plain extends for nearly two miles to the base of a ridge of hills, which runs parallel to the coast, and whose highest summit is about 350 feet. This ridge is not quite continuous and unbroken, but is divided by transverse valleys, through which the Aglaseniqua, Aglatomate and other rivers have their course, and whose highest elevations do not exceed 150 feet. The base of this ridge is only two miles in width, and from its south side a level plain extends for thirteen miles to a point on the Savana, called Cañasas, which is about twenty miles above its mouth."

No language could be more simple, explicit and direct than the language of this statement. Admitting it to be literally correct, we have to go no further; for the object of our search, the existence of a practicable route for an interoceanic ship canal, has been discovered.

Dr. Cullen's map, numbered 9, of the series appended to this report, presents a line of communication which combines all the advantages required by the engineer. It possesses the indispensable requisite of harbors of perfect security, sufficient depth of water and large capacity at both termini—that on the Pacific side having a rise of tide which adapts it to the construction of building and repairing docks, a circumstance the value of which cannot be overestimated. It cuts the Cordilleras at a depression at least thirty feet below any that has been reported, and several hundred feet below any that has actually been surveyed, or that has been approximately determined by trustworthy observers. The course of this line is direct, free from obstructions, and exceptionally healthy, while its outlets open upon coasts where violent storms are rarely known. The plains on each side of the dividing ridge are of easy slope and readily penetrated. The Savana River itself would form a part of the canal. And, finally, accepting the particular statement of Dr. Cullen as fully reliable, a ship canal may be cut on this line without locks, and even without tunnel, and yet not surpass either in difficulty, in labor, or in the amount of time or money consumed in its construction, several other monuments of human genius and enterprise in past times and in our own day.

Thus, for example, the Mexican Desague, of which Humboldt says, "in its actual state it is undoubtedly one of the most gigantic hydraulic operations ever executed by man. We are filled with admiration when we consider the nature of the ground and the enormous breadth, depth and length of the aperture. If the cut were filled with water to the depth of ten metres (328 feet) the largest vessels of war could pass through the range of mountains which bound the plains of Mexico to the northeast." (Humboldt, New Spain, volume 2d, pp. 110, 111.) "This wonderful work,"

says Admiral Fitz Roy. "200 feet deep and 300 feet wide for nearly a thousand yards, and above 100 feet deep, through an extent of 3,000 yards, (making altogether two miles of distance, in which that vast excavation would be capable of concealing the masthead of a first rate man-of-war,) executed within the last three centuries within Central America, should induce us to listen respectfully to the plans of modern engineers, however startling they may appear at first.

A ship canal twenty-six or twenty-seven miles in length, on such a line as that described by Dr. Cullen (pp. 24 *et seq.*), with a cut of two miles only through hard rock, would, in all respects of time, money and difficulty fall far short of that tunnel which is now in progress under the Alps at Mont Cenis, for the purpose of connecting France and Italy by a continuous railway. The length of this tunnel is seven miles and 1,044 yards. At Mont Cenis it is, in section, twenty-six feet three inches, and twenty feet eight inches high above the rails. Throughout the whole line it passes through rock, and in some places very hard rock. This, by far the greatest and boldest work of the kind ever yet undertaken, with its covered drain throughout, its lining of masonry, its recesses at the distance of every fifty metres (164 feet), and its chambers ten or twelve feet square, at intervals of 1,650 feet, may well spur us on to engage in this enterprise, which has for its object the union not of two adjacent countries, but of remote continents; the promotion, not of interior traffic in one or two districts, but of commerce and intercourse between all the people of the habitable globe. I say this because the construction of an interoceanic ship canal is—to borrow the thought of an eloquent writer on this subject—the same thing as if by some revolution of our globe the eastern shores of Asia and the southern continent were brought nearer to us.

Such are the prospects which the statements of Dr. Cullen offer to us. But it is with extreme reluctance I am compelled to say that these statements stand in Dr. Cullen's book as mere assertions, unaccompanied by notes or measurements. I cannot but join with Admiral Fitz Roy in his regret that Dr. Cullen has not given to the world the journals and details of his repeated explorations; such, for example, as are given by Gisborne and Prevost on or about the same line. However, it is a great satisfaction to observe that Admiral Fitz Roy gives Dr. Cullen credit for "valuable information gleaned from archives, maps, books, oral accounts and his own personal observation, and for being the first to ascertain the existence of a low summit level." He adds that Dr. Cullen's statement "is corroborated by Gisborne;" and ascribes to Dr. Cullen the merit "of recommending from personal observation the Savana as preferable to the Chuquanaque on account of its nearer approach to the north coast."

It is also gratifying to perceive that Airiau, who has made a careful study of this subject, has arrived at the same conclusion; that is, that the proper line for an interoceanic canal is from the Bay of San Miguel up the river Savanna to its junction with the Lara, and from this point straight across the plain to the foot of the Cordilleras. (Prevost's route, approximately.) "With regard to the Cordillera, in proportion as it advances, proceeding from the base of the Isthmus, it descends a good deal, and is only, so to speak, a range of hills or isolated peaks, the bases of which are intersected by ravines which point out to the engineer the true route of the canal. The Indians in the neighborhood of Caledonia Bay make use

of these passages. One of them is elevated about fifty metres (164 feet), and is covered with a luxuriant growth of mahogany, palm, ebony and other trees."

The same writer describes the country on the north of the Cordillera as a slope, gradually descending to the water's edge. No special authority is given for this description of the Cordillera, though Gisborne and other travellers are generally quoted; and it is further to be remarked that Airiau's estimates—(chap iv.)—are based upon probabilities, not on actual measurement, and those probabilities are deduced from Garella's survey, as from the statements of Gisborne and others.

Besides Cullen and Airiau, there are other high authorities who have regarded the Isthmus of Darien as the place where we are to look for the consummation of our wishes. Admiral Fitz Roy, who at the period when he last wrote, 1853, had made a more careful and accurate study of the whole subject than any man then living, and whose opinions no one experienced in the hydrography of the globe will lightly question, has said: "A strong conviction remains on all our minds that Darien should be surveyed without delay. The illustrious Humboldt declares himself thoroughly satisfied that the Isthmus of Darien is superior to any other portion of the entire neck for a canal."

But we can go further back in our authorities. The incursions of the old buccaneers, Dampier, Ringrose, Sharp, Wafer and Davis, which can be followed on the old Spanish maps, have made us strangely familiar with some parts of this region, abounding in the gold that was the object of their search. The well known and productive mines of Cona and Espiritu Santo, partly on account of these very incursions, were long since abandoned. We also follow without difficulty the direct route (1788) of the Spanish officer, Don Manuel de Milla Santa Ella, from Caledonia harbor to El Principe, thence down the Savana river to the harbor of Darien, up the Tuyra, and again up the Chuquanaque to the sources of its upper tributaries, whence he crossed to his station at Caledonia Bay. (Cullen, pp. 192 *et seq.*)

And, lastly, we must adduce the testimony of that very remarkable man, William Patterson, who crried with him in his settlement at Caledonia Harbor ample stores of information collected from the Buccaneers, who, during his long residence, had leisure and opportunity to make himself acquainted with the surrounding district, and who made at least one journey into the interior, the journal of which is given in his papers. One hundred and seventy years ago the far-reaching mind of Paterson had contemplated the Isthmus of Darien with the same enlightened views as the statesmen and political economists of the present time. He originated and partly executed the project of settling a great colony in this then remote region for the purpose of "removing distances and drawing nations nearer to each other." In one of his letters to the Darien Company, he says (which is as true now as it was then), "the time and expense of navigation to China, Japan, the Spire Islands and the greater part of the East Indies, will be lessened more than one-half, and the consumption of European commodities and manufactures will soon be more than doubled

* * * Thus this door of the seas and key of the universe, with anything of a reasonable management, will, of course, enable its proprietors to give laws to both oceans and become arbitrators of the commercial world."

This, however, is not said in any narrow spirit of selfishness; for, he adds, "You may easily perceive that the nature of these discoveries are such as are not to be engrossed by any one nation or people to the exclusion of others." And he denounced the contrary policy as being no less ruinous than niggardly.

I might extend these and similar quotations almost indefinitely. A glance at the list of authorities on this subject of interoceanic communication, appended to this report, will suffice to show how easy it would be to so stretch out this paper to any extent by historical, geographical hydrographical, statistical and descriptive passages and illustrations. I am however, free from any temptation to do so; for I am well aware that I shall best answer the end of the call under which I am writing by confining myself as strictly as possible to the actual state of our knowledge of the great isthmuses, and to the channels into which new attempts are to be directed. But I will not forbear to mention that it is interesting to the American statesman of the present day to see in what light the possession of the isthmus was regarded by a British statesman of the latter part of the last century. (*Vide Dairymple's Memoirs*, vol. 2, page 111.)

I have still one more exploration in this region to mention, the last one of which we have any accurate knowledge, but by no means the least interesting and profitable. I refer to the expedition of M. Bourdiol, civil engineer, who was employed in 1864, by a French society, to conduct a new exploration on the Isthmus of Darien. For the greater convenience of supplies for his party, he found it expedient to begin on the Pacific side. His expedition comprised twenty-five persons, of whom one was an Indian and nine were negroes. M. Bourdiol's course lay from the mouth of the Lara across the isthmus to the river Chuquanaque, which he reached at a point a little below the Sucubti. Here he was obliged to turn back, all the natives having abandoned him through fear of the hostile aborigines (the *bravos*) on the northern slope of the Cordilleras. This expedition of M. Bourdiol is full of instruction for the future surveyors of the isthmus, not only on account of the manner in which it was conducted, but on account of its failure to reach the Atlantic shore. M. Bourdiol had made better preparation than any of his predecessors. He introduced into his work, accuracy, zeal and laborious industry. He encountered great hardships, and yielded only when the obstacles to his progress became insurmountable.

His narrative in the Bulletin of the Geographical Society of Paris, 1864, will be attentively read by every one who is to follow in his track. But the principal lessons to be derived from it may be summed up as follows:—

First, The imperative necessity of taking provision in a concentrated form, on which I dwell more than once in this report, is very clearly shown. The want of provisions was one of the insurmountable obstacles that obliged him to turn back. It appears to have been impracticable to supply the party from the vessel when they had reached the interior.

The second and equally important lesson is that the proper season is to be selected. Bourdiol attempted to make his exploration in the month of May. At one time he was in danger of having his retreat cut off by the enlargement of the streams, and by the torrents created by the abundant rains. At another time he was wading up to his waist in water; and, in

order to make sure of a safe return across an inundated plain, he left, as he advanced, his people stationed at intervals like live beacons. But for this precaution he might never have found his way back; and, in spite of it, he came near losing one of his men.

Thirdly, I speak elsewhere of the necessity of providing the means of clearing the way through the dense and matted undergrowth by steel and by fires. (Pages 18-19.) M. Bourdiol's experience on this point is exceedingly instructive. The native may be employed with their *machetes*. They are strong, active and enduring, but they are very timid, and not to be relied upon.

Fourth and lastly, Suitable preparation must be made for encountering the hostility of the Indian braves who inhabit the Atlantic declivity.

This is the proper place to call special attention to the benefits which have been conferred upon the world by all previous explorers, whether their labors have been carried on systematically and to an end, or have been cut short by accident, hostility, or a want of proper equipment.

Every successful and complete survey, like those of Tehuantepec, Honduras, Nicaragua, Panama, &c., which has proved the unfitness of the route for an interoceanic communication by canal, has benefited us by eliminating these points from our consideration, and thus narrowing down our field of inquiry. Every unsuccessful attempt has conferred a benefit by teaching us the precautions we are to observe and the errors we should avoid.

FROM SAN MIGUEL TO GULF OF URAHA, OR DARIEN.

The remaining line on this part of the Isthmus is that which ascends the Tuyra and crosses to the valley of the Atrato. It is satisfactory to know that a plan for a survey of this route is already on foot. Mr. Gogerza, a resident of New Granada, has recently communicated the discovery of a short and easy transit across the Cordillera at this point. According to his statement the mountain is depressed to an elevation of 58 metres (190 feet) above the level of tidewater; the distance between the waters, navigable by canoe, on two sides of the mountain is only three miles.

Since the verification of these estimates is about to be undertaken by competent authority, it is not expedient to say anything further on this route than this, that it is expressly pointed out by Fitz Roy, and drawn on his general map, and that it is also mentioned at length by Trautwine. A regular survey by the government would be desirable, whether the present private enterprize on foot should make any important discoveries or not.

THE ATRATO ROUTE.

For many years explorations have, from time to time, been carried through the valley of the Atrato to various points on the pacific coast, in search of a suitable path for effecting a union of the two oceans by a ship canal without locks. These explorations have, in one respect, been satisfactory. They have been conducted by able engineers who enjoyed the confidence of the public, and they have been given to the world in the most useful and intelligible form. We are now sure that we are well acquainted with the region, especially in those particular parts over which the surveyors have passed. Whoever will take the pains to study the

maps and reports of Trautwine, Kennish and Col. Michler, of the United States Engineers, will be able to form an independent opinion with regard to the practicability of finding in this direction the means of fulfilling the world's expectation of a passage through the great American isthmus. It is well known that we are indebted to one gentleman, principally, for all these trustworthy contributions to our geographical knowledge.

In the year 1852, Mr. Kelley, of New York, influenced by the early reports of Humboldt (who, however, it must be remembered, does not here speak from his own knowledge, but merely recites what is communicated by others), and inspired by the grandeur of the object, commenced a series of surveys, beginning at the mouth of the Atrato River, and crossing the Cordilleras at several points. Of these surveys I will here give a brief account, in order to show precisely where we stand in regard to this region. What is here said concerning the early history of these undertakings is taken, in part, from a paper communicated to the Royal Geographical Society of London, by its Secretary, Dr. Norton Shaw, in 1856.

The first expedition, undertaken at the expense of Mr. Kelley and other gentlemen, was placed under the direction of Mr. J. C. Trautwine, an engineer of Philadelphia, who had already acquired distinction in Honduras and in the work of the Panama Railway. Mr. Trautwine surveyed the mouth of the Atrato, and then ascended the river to Quibdó, examining several of its tributaries in passing. Above Quibdó he followed first the tributary Quito, and then the tributary Pato to its source; here he crossed the dividing ridge of the Cordilleras and took a canoe on the river Baudo, which he traced to its mouth on the Pacific. Returning on his steps, he turned off from the Baudo at the mouth of the Pepé, which river he ascended to its source, and crossed the mountains on a second track to the river Surucco, one of the headwaters of the San Juan, and proceeded along the last-named river on a third track. He crossed from San Juan to Quibdó, which track leads across the water-shed said to have been intersected by the famous Raspadura Canal. The existence of this canal is now disproved, if the word canal is intended to signify a practicable artificial water course constructed and employed for the passage of boats or vessels.

This route was again traversed by Mr. Trautwine when he returned from Quibdó, and navigated the river San Juan throughout its length to the Bay of Chirambria, on the Pacific coast. Thus it will be seen that Mr. Trautwine during his expedition crossed the Cordillera at three different places. A copy of Mr. Trautwine's map is included in the appended series and numbered 10; it embraces his plan and elevation of the dividing ridge between the Atrato and San Juan rivers.

In 1853 another expedition was fitted out by Mr. Kelley, at his own expense, and placed in charge of Mr. Lane and Mr. Porter, civil engineers, of New York, with instructions to extend and follow up the investigations of Mr. Trautwine. Mr. Porter pursued the route previously taken by Mr. Trautwine, ascending the Atrato, and crossing over the dividing ridge to San Pablo, on the San Juan. His observations harmonized entirely with those of his predecessors. Mr. Lane, after examining the Atrato to Quibdo, took the eastern course along the Atrato to the Andagueda, whence he crossed the dividing ridge to the San Juan. He also examined the supposed Raspadura canal. Throughout his expeditions his results agree with those previously reported by Mr. Trautwine.

We may sum up the results of these surveys, so far as the question of an interoceanic canal is concerned, in the following declaration:—The examination of the head-waters of the Atrato, of the intervening water shed and of the head-waters of the San Juan, satisfactorily proved that nature forbids us altogether to entertain the idea of a union of the two oceans in this direction.

Mr. Kelly's indefatigable spirit of inquiry took a new course. Humboldt had been told that from the Bay of Cupica eastward, for a distance of fifteen or eighteen miles, the ground was level and suitable for a canal, which would terminate on the river Nappi. It was represented to him that between this part of the coast and the valley of the Atrato the chain of the Andes is entirely broken, and on this point he quotes the authority of an intelligent Biscayan pilot. A number of other authorities are cited by Fitz Roy, particularly Lieutenant Wood, Royal Navy, and Captain Illingworth (Journal Royal Geographical Society, 1851, page 178), who give color to the correctness of this statement by circumstantial facts, and, in addition to all this, the opinion is so current in the country that the native Indians are in the habit of passing, freely and without difficulty, between the Pacific coast and the tributaries of the Atrato, that it probably has some better foundation than we are aware of.

Acting upon these reports, Mr. Kelley fitted out two other expeditions in the year 1854, one of which, under Mr. Lane, was despatched to the Truando, and the other, under Mr. William Kennish, was directed to commence operations on the side of the Pacific. Mr. Kelly's instructions to Mr. Kennish were drawn up in accordance with the preceding information. He was to follow the coast from Point Garachine southward to 7 deg. north latitude (Cupica Bay is 6 deg. 41 min. 19 sec. north), and to look for any depression in the range of the Cordilleras which held out the prospect of an open cut without resorting to locks, and on observing any such place he was to institute a thorough survey, for which the means and instruments were provided.

Mr. Kennish, after passing the bold and mountainous region to the northward of Punta Ardita, met with a remarkable depression opposite that portion of the coast which lies to the southward of that point, and between it and Punta Marzo. Mr. Kennish says in his report: "In this interval the country loses its mountainous character entirely, and assumes the appearance of a gradual rise or slope, with hills of little elevation in the distance."

Opposite this depression of the Cordilleras he discovered an inlet not before described, but now known as Kelley's Inlet, affording convenient shelter and anchorage, into which the Paracuchichi empties its waters.

Encouraged by these favorable conditions and by the best information he could obtain from the natives, he determined to cross from that point to the Atrato by the shortest course. The party, following the course of the streams on the west of the water shed, crossed the summit at a height of 540 feet, and descended over a series of falls to the Nerqua, a tributary of the Truando, along which rivers they proceeded to the Atrato. The information furnished by Mr. Kennish's survey, particularly tending as it did to strengthen the previous reports of Humbolt and other travellers, was received everywhere with attention.

In England the subject was taken up by the Royal Geographical Socie-

ty and by the Institution for Civil Engineers, and freely discussed in all its bearings. In the United States the government thought it worth while to ask for a special appropriation to defray the expenses of an expedition to the same region for the purpose of verifying Mr. Kennish's explorations.

This expedition was placed under the direction of Lieutenant (now Brigadier General Michler, of the engineers, and Lieutenant (the late lamented Commander) T. A. Craven, United States Navy; the hydrographic work being assigned to the latter, and "the explorations and verifications of surveys already made near the isthmus of Darien" to the former. The reports of Mr. Kennish were confirmed in all essential particulars; but beyond this—and what perhaps is more important—General Michler's work was conducted with all the advantages which the best instruments and the most thorough education can confer. His topography and his levels furnish us with a complete representation of this region, reliable in all its details, and not subject to any of those painful doubts which belong to mere reconnoissance or primary exploration. It is in the highest degree satisfactory to know precisely what we are to expect in this part of the Cordilleras, which has given rise to such ardent hopes in the minds of numerous writers and explorers, from Humboldt and his native correspondents, who first drew his attention in this direction, down to Kelley and Michler. General Michler, it is very interesting to know, is struck with the same promising but deceptive appearance of the mountain range when viewed from the ocean. He says:—"In looking back from the ocean upon the country through which the party recently travelled, the depression in the Cordilleras becomes plainly visible. It seems, in reality, to lose the mountainous character entirely, and assumes the character of a gradual rise or slope, with hills of a little elevation in the distance. The dense growth of timber which mantles the crests of the hills makes the resemblance to a low flat region still more apparent; and when beheld from a little distance out at sea the view must be still more strikingly so. One can easily, therefore, conceive why a preference should have been shown to this section by those interested in explorations of a route for a ship canal." (Report, p. 93, Ex. Doc. No. 9, 36th Congress, second session, Senate.)

Both Trautwine and Michler have, through their experience, given us some lessons upon the conduct of expeditionary parties in these regions. Both of these gentlemen were, in spite of their best precautions, exposed to considerable hardship and privation. (See their reports, *passim*.) I should fail to profit by these lessons if I were not to point out the necessity for providing all future surveying and exploring expeditions with provisions in a concentrated form. This a matter not to be overlooked.

Before concluding this branch of the subject, I must not omit to mention an important point in which Trautwine and Michler fully concur, and that is, the docile and tractable character of the native Indians. Neither of them had any difficulty in securing aid, and never failed to receive from them kindness and good will. "I never," says Trautwine, "in all my New Granada experience, felt myself to be among ruffians. Among the Indian tribes through which I passed I laid aside my pistols and armed myself with a pocketful of cigars. A present of an empty sardine box was more effective than a two edged sword, and a lump of sugar to a papoose was a better passport than my government could afford."

The following table shows the saving in distance from New York to the following places, by the Isthmus of Panama, over the Cape routes :—

From New York to	Distance via Cape Good Hope. <i>Miles.</i>	Distance via Cape Horn. <i>Miles.</i>	Distance via Isthmus Panama. <i>Miles.</i>	Saving over route by Cape Good Hope. <i>Miles.</i>	Saving over route by Cape Horn. <i>Miles.</i>
Calcutta.....	17,500	23,000	13,400	4,100	9,600
Canton.....	19,500	21,590	10,600	8,900	10,990
Shanghai.....	20,000	22,000	10,400	9,600	11,600
Valparaiso.....	.....	12,900	4,800	.....	8,100
Callao.....	.....	13,500	3,500	.....	10,000
Guyaquil.....	.....	14,200	3,800	.....	11,500
Panama.....	.....	16,000	2,000	.....	14,000
San Blas.....	.....	17,800	3,800	.....	14,000
Mazatlan.....	.....	18,000	4,000	.....	14,000
San Diego.....	.....	18,500	4,500	.....	14,000
San Francisco.....	.....	19,000	5,000	.....	14,000
Wellington, N. Z.....	13,740	11,100	8,480	5,260	2,620
Melbourne, Australia....	13,230	12,720	9,390	3,840	2,830

The following figures show the trade of the United States that would pass through the Isthmus canal, if now finished; taken from the official returns for the year 1857 :

Countries traded with.	Exports and imports.	Tonnage.
Russian North American possessions.....	\$126,537	\$5,735
Dutch East Indies.....	904,550	16,589
British Australia and New Zealand.....	4,728,063	52,105
British East Indies.....	11,744,151	177,121
French East Indies.....	98,432	3,665
Half of Mexico.....	9,601,063	24,673
Half of New Granada.....	5,375,354	131,708
Central America.....	425,081	36,599
Chile.....	6,645,634	68,749
Peru.....	716,679	193,131
Equador.....	48,979	1,979
Sandwich Islands.....	1,151,849	33,876
China.....	12,762,062	123,578
Other ports in Asia and Pacific.....	80,143	4,549
Whale fisheries.....	10,796,090	116,780
California to east United States (exclusive of gold dust)	35,000,000	861,698
Value of cargoes.....	\$100,294,687	1,857,485
Value of ships.....	92,874,250	at \$50 per ton
Total value of ships and cargoes.....	\$193,168,937	92,874,250

Whale ships and coasting vessels have been estimated generally throughout this appendix at \$40 per ton. The United States and European commerce around the capes is conducted in first class ships, which often cost \$80 per ton; \$50 have therefore been taken as the fair average value in the construction of this table, which does not include coasting trade.

Table showing the trade of England that would pass through the Isthmus canal, if now finished; taking from the official returns for the year 1856 :

Countries traded with.	Exports and imports.	Tonnage.
Half of Mexico	\$2,775,137	\$11,833
Half of Central America.....	1,244,817	5,615
Half of New Granada	2,437,605	10,188
Chile.....	15,486,114	118,311
Peru	20,473,520	244,319
Equador.....	360,015	1,820
China... }	7,077,390	68,530
Java..... } Outward: only 40 days saved by canal. {	3,821,410	16,003
Singapore }	4,364,070	16,500
Australia and New Zealand.....	78,246,095	522,426
Sandwich Islands	520,500	1,950
California	2,378,105	11,800
Value of trade	\$139,184,834	\$1,029,295
Value of ships.....	51,464,750	at \$50 per ton
Total value of trade and ships.....	\$190,649,584	\$51,464,750

Table showing the trade of France that would pass through the Isthmus canal, if now finished; taken from the official returns for the year 1857.

Countries Traded With.	Exports and Imports.	Tonnage.
Chile.....	\$10,000,000	\$25,688
Peru.....	13,160,000	35,096
Half of Mexico.....	2,790,000	10,004
Half of New Granada.....	1,090,000	2,389
Equador	440,000	1,651
Bolivia	100,000	1,000
California.....	2,073,859	8,997
China, outward only.....	2,180,000	2,028
Dutch East Indies, outward only.....	4,440,000	20,400
Sandwich Islands.....	2,000,000	4,119
Philippine Islands.....	1,000,000	1,463
Australia.....	19,800,000	50,000
Value of cargoes	\$59,072,859	162,785
Value of ships.....	8,136,759	at \$50 p. ton
Total value.....	\$67,210,609	\$6,136,750

Table showing the total tonnage that would pass yearly through the Isthmus Canal, if now finished, from official returns:

	Tons.
United States	1,857,485
England	1,029,295
France	162,735
Other countries	44,555
Total.....	3,094,070

Table showing the general results of the foregoing tables:

Tonnage and trade of United States.....	\$193,168,937
Tonnage and trade of England	190,649,584
Tonnage and trade of France.....	67,210,609
Tonnage and trade of other countries.....	16,802,000
Total trade affected by the canal.....	467,831,130

Table showing the saving in money to the trade of the United States that would result from the use of the Isthmus Canal, according to the official statistics for the year 1866 :

Insurance on vessels and cargoes saved.....	\$3,863,378
Interest saved on cargoes.....	3,068,840
Saving of wear and tear of ships, five per cent.....	4,643,712
Saving of freight money (by time).....	11,250,000
Saving of wages, provisions, crew, &c.....	13,230,000
Total yearly saving to United States.....	\$35,995,930

Table showing the yearly saving in money to the trade of England, as ascertained by the official returns for 1856, if the trade passed through the Isthmus Canal instead of round the capes :

Insurance on vessels and cargoes.....	\$1,906,495
Interest on cargoes.....	1,858,826
Saving of wear and tear of ships.....	2,573,287
Saving of wages, provisions, &c.....	3,611,790
Total yearly saving to England.....	\$9,950,343

Table showing the saving in money to the trade of France that would result from the use of the Isthmus Canal, according to the official statistics for the year 1857 :

Insurance on vessels and cargoes.....	\$753,000
Interest saved on cargoes.....	452,084
Saving of wear and tear of ships.....	325,470
Saving of freight money, estimated by time.....	276,949
Saving of wages, provisions and outfit of ships.....	376,427
Total yearly saving to France.....	\$2,183,930

Table showing the saving to the trade of the world that would result from the use of an Isthmus Canal :

United States.....	\$35,995,930
England.....	9,950,343
France.....	2,183,930
Other countries.....	1,400,000
Total.....	\$49,530,203

POSITION OF THE BANK OF ENGLAND.

One of our London exchanges, in commenting upon monetary affairs in England, states that since the month of May they exhibit one of the most striking vicissitudes which that or any country has witnessed. In May money was not to be had. The banks were even in greater straits for it than the public. The public had lost faith in the banks and called for payment of their deposits; and the banks, thus pressed for a supply of currency, had (with the exception of the Bank of England) to contract their liabilities by stopping their usual discounts and loans.

A glance at the position of the Bank of England immediately before

the crisis, during the crisis, and at the present time, will show how great was the convulsion and how striking have been the vicissitudes. On the 9th of May, the very day before the first calamity of the crisis, the position of the bank was as follows: Note circulation, £22,344,895; gold in both departments, £13,156,140; reserve, notes and coin, £5,811,745; loans and discounts, £20,844,217; bank rate, 8 per cent.; private deposits, £13,515,537.

On the afternoon of the very day after these returns were drawn up the great firm of Overend, Gurney & Co. suddenly stopped payment, and on the 11th panic reigned supreme in the city. Mark the consequences in the next return of the Bank of England (May 16): Note circulation, £26,120,995; gold in both departments, £12,323,805; reserve, notes and coin, £1,202,840; loans and discounts, £30,943,259; bank rate, 10 per cent.; private deposits, £18,620,672.

Finally, let us show the position in which the bank has been left after the crisis was over. The bank returns for the 28th of November were as follows: Note circulation, £22,486,750; gold in both departments, £18,175,570; reserve, notes and coin, £10,358,918; loans and discounts, £19,186,008; bank rate 4 per cent.; private deposits, £13,515,537.

Thus the first effect of the crisis in May was to add 10 millions (50 per cent.) to the bank's loans and discounts, fully 5 millions to its private deposits, and nearly 4 millions to its note issues. Hence it appears that of the 10 millions of advances required from the bank, half of that amount was not withdrawn from the bank at all; it simply remained at the credit of those parties who had got the loans. Of the remaining five millions, £3,776,000 were taken from the bank in the form of notes, and £810,000 in coin. It is also to be noted (as shown by the return obtained by Ald. Salomons) that of the $3\frac{1}{2}$ million of notes thus withdrawn, the greater part were large notes—not meant for currency, but either for hoarding on the part of the public, or for the payment of deposits by the banks.

These facts throw great light on the nature of the difficulty experienced by the bank in May. The demands upon it were of two kinds: (1) from merchants who, owing to the stoppage of Overend's and other establishments, could not get their usual accommodation from the old quarters, and had to take their securities to the bank to be converted into banking currency, or at least into banking credit. But (2) by far the larger part of the extra demand then made upon the Bank of England came, not from the public, but from the other banks. Many of these establishments had to withstand a "run" for deposits which they could only meet by suddenly converting their assets into currency to a much larger extent than usual. And this could only be done by taking these assets to the Bank of England, which is the only establishment which is permitted by law to increase its note-issues. The requirement of the banks was two-fold. In the first place, they had to meet payment of the checks drawn upon them and passed through the Clearing House; and, as the settlements in the Clearing House are made by drafts on the Bank of England, the banks had to increase their deposits at the bank to meet the exceptional demand to which they might be exposed. No more currency was required for this, neither did it involve any withdrawal of capital from the bank. On the contrary, as we have seen, the only effect of this was to add fully 5 millions to the private deposits in the bank—which doubtless shifted about a good

deal from one bank's account to another's, in consequence of the "clearing" operations, but the whole of which remained in the bank and strengthened its position greatly. But, secondly, while adding to their credit or deposits at the Bank of England, the London banks had also to meet the crisis by other means. While they had to provide for the extra run made upon them through the Clearing House by increasing their credit at the bank, they had at the same time to meet the run for deposits made upon them "over the counter" by laying in a much larger stock of currency than usual. Hence, beside adding largely to their deposits in the Bank of England, they had to withdraw from the bank some $3\frac{1}{2}$ millions of notes and £800,000 in coin.

These operations, by which the banks supplied themselves with currency during the crisis, were not loans of capital; they were simply temporary exchanges of capital for currency. The banks took a portion of their negotiable assets (bills, &c.) to the bank, and obtained a supply of banking-currency in exchange, by which they might meet the unusual demand for cash payments made upon them by their depositors.

Probably at least three-fourths of the increase in the Bank's loan and discount business in May came from the London banks; the remaining fourth from persons who could not get their bills discounted in the old quarters (owing to the bank suspensions and and general stoppage of discounts,) and who accordingly had to apply at the Bank of England.

The effects of this immense increase of business, contemporaneous with an exorbitant rate of interest, are visible in the large profits made by the Bank during the crisis. The undivided profits at the end of the last-half year (on Sept. 5) amounted to four millions (£8,987,417,) the highest point ever reached; and the net profit on the half-year was £975,655, the largest ever made by the bank. Moreover, if the weekly gains of the establishment be examined, it will be found that these were fully twice as great during the period of monetary distress as in the remainder of the half-year. During the fourteen weeks when the rate of discount was 10 per cent the bank's profits were £679,000, against only £300,000 in the other twelve weeks.

The object of raising the bank-rate, we are told, is to check the withdrawal of gold, and at the same time to attract gold from other countries. But the facts contradict this view of the matter very strongly. During the months of May, June, and July, specie accumulated steadily and enormously in the Bank of France, which charged only $3\frac{1}{2}$ and 4 per cent; while the Bank of England, which charged 10 per cent, found its stock of gold no greater on the 2d of August than it had been on the 3d of May:

Week ending,	Bank of England.		Bank of France.
May 3.....	12,710,000	7 per cent.	21,080,000
" 10.....	12,290,000		20,800,000
" 17.....	11,850,000		21,600,000
" 24.....	11,800,000		21,480,000
" 31.....	11,480,000	10 per cent.	23,120,000
June 7.....	12,620,000		24,080,000
" 14.....	13,690,000		24,620,000
" 21.....	14,170,000		25,080,000
" 28.....	14,170,000	10 per cent.	26,000,000
July 5.....	14,150,000		26,720,000
" 12.....	13,290,000		26,280,000
" 19.....	12,920,000		26,380,000
" 26.....	12,890,000	10 per cent.	27,600,000
Aug. 2.....	12,980,000		28,270,000

The logic of these facts are unanswerable. Here are two great banks, within twelve hours' distance of one another—one of which holds 21 millions of specie and lends its currency to the public at $3\frac{1}{2}$ per cent., while the other has less than 13 millions of specie and charges 7 per cent. According to the theories which have so long been held sacred, such a condition of things ought to have been impossible. Only a few months before Baron Rothschild had declared to the French Government Inquiry that if the Bank of France were at any time to lend its currency at 2 to 3 per cent. below the banks of other countries, it would forthwith be drained of its last sovereign. In spite of this dogmatic theorising, at the beginning of May we beheld the Bank of France charging only half as much for its currency as the Bank of England, yet no drain at all set in from the former bank to the latter! Although within a few hours' distance, the specie remained unmoved at Paris, while on this side of the Channel the public was forced by the bank to pay 7 per cent. instead of the $3\frac{1}{2}$ in France.

According to the so-called established theory, such a position of affairs was an impossibility—but here it was. Moreover, instead of disappearing, when the bank screw was still further put on, the difference between the two neighboring banks only grew greater and greater. While the Bank of England charged 10 per cent. for three months with no result of increasing its stock of gold, the specie in the Bank of France shot up from 21 to $28\frac{1}{2}$ millions sterling, while the charge for its currency was only from $3\frac{1}{2}$ to 4 per cent. In fact, as is well known, so totally inefficacious was the raising of the bank-rate, that specie actually flowed from England to France, although the rate was 300 per cent. higher in the former country than in the latter.

As a set-off against the enormous gains made by the Bank of England during the crisis, there has recently been a very considerable reduction in its business below the ordinary amount. Its loans and discounts, which usually amount to 21 millions, are at present £19,636,741. The bank, in fact, is quite at a loss how to employ the money. Owing to the increase in its stock of gold, the currency which it has the power to issue has increased, whilst the demand for it is much less than usual. In consequence of this, if the directors had followed their usual course, the bank rate would have been reduced still lower than it is: but, on the present occasion, instead of reducing the rate, the directors have invested $5\frac{1}{2}$ millions of their money in the purchase of Government securities—as shown by the rise in the amount of these securities in the Banking Department from £10,694,254 on the 3d of May to £13,011,222.

The following have been the extraordinary changes in the bank rate since the beginning of May:

May 2.....	raised to	7	August 22.....	reduced to	7
May 8.....	raised to	8	August 30.....	reduced to	6
May 11.....	raised to	9	September 6.....	reduced to	5
May 13.....	raised to	10	September 27.....	reduced to	$4\frac{1}{2}$
August 16.....	reduced to	8	November 7.....	reduced to	4

While the bank rate was thus falling, the gold in the bank steadily increased. On the 2d August the gold in both departments was £13,516,140. It is now (Dec. 12) no less than £18,551,471—a higher point than has been witnessed since the similar period of collapse after the crisis of 1857.

DAILY PRICES OF GOLD AT NEW YORK FOR FIVE YEARS.

The tables which follow exhibit a concise review of the Gold Market at New York, from the suspension of specie payments, at the close of 1861, to the close of the year 1866, embracing a period of five years. From January 1, 1862, to and including June 20, 1864, the prices are based on the daily sales at the New York Stock Exchange, from June 21, 1864, to June 30, 1865, on the sales at the Gold Room. This change of the sources of information was rendered necessary by the total cessation of sales at the Stock Board immediately after the passage of the Gold Bill in Congress, and the infrequency of sales thereafter up to the present day.

1862.

[illegible]

RATES OF SHORT-TIME EXCHANGE ON LONDON—1866.

The statement which follows gives the daily and monthly fluctuations of Short-time Exchange on London, the quotations being for prime bankers' paper:

Day of Month.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	November.	December.
1.....	109% <i>Wednesday</i>	109% <i>Monday</i>	109 - 110	107% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109 - 109%	110% <i>S.</i>	110% <i>S.</i>
2.....	110% <i>Thursday</i>	109% <i>Tuesday</i>	109% <i>Tuesday</i>	107% <i>Tuesday</i>	110% <i>Tuesday</i>	110% <i>Tuesday</i>	109% <i>Tuesday</i>	108% <i>Tuesday</i>	109% <i>Tuesday</i>	109% <i>Tuesday</i>	110% <i>Tuesday</i>	110% <i>Tuesday</i>
3.....	110% <i>Friday</i>	109% <i>Wednesday</i>	109% <i>Wednesday</i>	107% <i>Wednesday</i>	110% <i>Wednesday</i>	110% <i>Wednesday</i>	109% <i>Wednesday</i>	108% <i>Wednesday</i>	109% <i>Wednesday</i>	109% <i>Wednesday</i>	110% <i>Wednesday</i>	110% <i>Wednesday</i>
4.....	110% <i>S.</i>	109% <i>Thursday</i>	109% <i>Thursday</i>	107% <i>Thursday</i>	110% <i>Thursday</i>	110% <i>Thursday</i>	109% <i>Thursday</i>	108% <i>Thursday</i>	109% <i>Thursday</i>	109% <i>Thursday</i>	110% <i>Thursday</i>	110% <i>Thursday</i>
5.....	110% <i>S.</i>	109% <i>Friday</i>	109% <i>Friday</i>	107% <i>Friday</i>	110% <i>Friday</i>	110% <i>Friday</i>	109% <i>Friday</i>	108% <i>Friday</i>	109% <i>Friday</i>	109% <i>Friday</i>	110% <i>Friday</i>	110% <i>Friday</i>
6.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
7.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
8.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
9.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
10.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
11.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
12.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
13.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
14.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
15.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
16.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
17.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
18.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
19.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
20.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
21.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
22.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
23.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
24.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
25.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
26.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
27.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
28.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
29.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
30.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
31.....	110% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	107% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>	109% <i>S.</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>
1st month	109% <i>Monday</i>	109% <i>Tuesday</i>	109 - 110	107 - 109%	109% <i>Wednesday</i>	110% <i>Thursday</i>	109% <i>Friday</i>	108% <i>S.</i>	109% <i>S.</i>	109% <i>S.</i>	110% <i>S.</i>	110% <i>S.</i>

COURSE OF THE NEW YORK STOCK EXCHANGE BOARD—1866.

The past year, although not marked by the extreme fluctuations in the prices of securities which distinguished the last years of the war, has, nevertheless, been one of considerable activity at the Stock Exchange. For some of the railroad shares, especially, the quotations show a wide range. In the record below the course of the market through the year may be readily traced:

Statement showing the Lowest and Highest Sale-Prices of Shares at the New York Stock Exchange Board in each month.

stocks.	January.	February.	March.	April.	May.	June.	July.	August.	Sept.	October.	November.	December.
<i>R.R. shares, viz.</i>												
Buff. N. Y. & Erie	195 - 195											
Buff. & State Line	57 - 59									85 - 85		
Camden	83½ - 90				80 - 80½	77 - 79	79 - 79½	79 - 80				
do pref.												
Central of N. J.	114 - 119	118 - 114	104 - 107½	105½ - 110	110 - 117	115½ - 117	116 - 120	130 - 135½	127 - 139	127½ - 130	128 - 132½	124 - 127
Chicago & Alton	103 - 105½	103 - 119	88 - 112½	84 - 90½	91 - 99	98 - 99	98½ - 105½	102½ - 109	105 - 113½	110½ - 113½	106 - 113	108 - 110½
do do pref.							104½ - 106	105 - 109½	106½ - 113½	113 - 113½	109½ - 113	110½ - 111
Chic. B. & Quincy	105 - 107	103 - 120	94½ - 118	93 - 96	100 - 101	102 - 109	124 - 125	129 - 130	128 - 133½	132½ - 137	131 - 133½	130 - 134
Chic. & Great East.	109½ - 114	112 - 113	118½ - 115	115 - 117½	113 - 117	116 - 121	124 - 125	45 - 45	45 - 50	49½ - 52½	70 - 79	68 - 68
Chic. & Milwaukee	60 - 67½			40½ - 43	43 - 44			70 - 70				
Chic. & N. Western	27 - 36½	28½ - 29½	25 - 27½	24 - 30½	26½ - 29½	28½ - 31½	30 - 37	35½ - 37½	34 - 37½	38 - 60½	37½ - 62½	42 - 55½
do do pref.	53½ - 62½	55½ - 56½	53 - 57½	53½ - 59½	55½ - 61½	58 - 61½	59 - 66½	63 - 68½	65½ - 73½	72½ - 81½	69½ - 82	65½ - 84½
Chic. & R. Island	96½ - 109½	98 - 107	104½ - 119½	107 - 123½	89½ - 96½	91 - 96½		102½ - 110½	106½ - 112½	105½ - 111½	100 - 112½	102 - 105½
Chic. & R. Ton.				100 - 100						85 - 85		
Cleve. & Cin.	110 - 123	114 - 115	111 - 115	114½ - 115	114 - 115	116 - 118½	110 - 113	110 - 111½	111½ - 115	113 - 115	111½ - 113½	109 - 112
Cleveland & Pitts.	74½ - 87	76 - 83½	75½ - 82	76½ - 84½	80½ - 89	80 - 87½	70½ - 88	85½ - 88½	85½ - 90	87½ - 94½	84½ - 94½	83½ - 93½
Cleveland & Toledo	109 - 113½	105 - 105½	107 - 113	99½ - 105½	103 - 106½	104½ - 107	106½ - 116½	115½ - 117	114½ - 123	113½ - 123½	111½ - 121½	111½ - 126
Del., Luc. & West.	149 - 158	140 - 145	124 - 125½	180 - 180	135 - 140	144 - 147	143 - 150	160 - 163½	150 - 155	150 - 153	150 - 150	141½ - 144½
Erie	84½ - 93	76 - 83½	74½ - 87	71½ - 79½	57½ - 75	57½ - 65½	63 - 71½	66½ - 74½	68½ - 80½	81½ - 95	70½ - 82½	65½ - 74½
do preferred	81 - 88½	80 - 88½	80 - 81	73 - 79	72 - 76	72½ - 79	72½ - 79	72½ - 79	75 - 81	79½ - 87	82 - 88½	82 - 86
Ian. & St. Jos.					80 - 81	82 - 83	80 - 87	85½ - 96½	86½ - 93	88 - 93	84 - 89	86 - 89
do do pref.		53½ - 53							53 - 53	54 - 63	65 - 69	63 - 63
Hart. & N. Haven	170 - 170							175 - 175				
Ind-on River	98½ - 109½	99 - 104½	109½ - 105½	109½ - 110½	108 - 113½	110 - 113½	112½ - 130½	118½ - 123	119 - 125	118 - 128½	118 - 126½	119½ - 137
Illinois Central	115 - 131½	112½ - 116½	114 - 124	115 - 123½	117 - 124	115½ - 125½	121½ - 134½	121½ - 134	121 - 123½	123½ - 129	116 - 126½	115½ - 120
Indianapo. & Cin.		70 - 70	55 - 55		70 - 76	60 - 70	72 - 72	73 - 74	75 - 76	80 - 84	84 - 93	87 - 88

COURSE OF THE NEW YORK STOCK EXCHANGE BOARD.—Continued.

stocks.	Jan. a.v.	February.	March.	April.	May.	June.	July.	August.	Sept.	October.	November.	December.
Spruce Hill.....	80 - 80	80 - 80	80 - 80	41 - 41	4 - 6	4 - 6	4 - 4	4 - 4	4 - 4	4 - 4	3 - 4	3 - 4
Wilkes-Barre.....	80 - 80	80 - 80	80 - 80	41 - 41	4 - 6	4 - 6	4 - 4	4 - 4	4 - 4	4 - 4	3 - 4	3 - 4
Wolf Creek.....	80 - 80	80 - 80	80 - 80	41 - 41	4 - 6	4 - 6	4 - 4	4 - 4	4 - 4	4 - 4	3 - 4	3 - 4
Wyoming Valley.....	80 - 80	80 - 80	80 - 80	41 - 41	4 - 6	4 - 6	4 - 4	4 - 4	4 - 4	4 - 4	3 - 4	3 - 4
<i>Gas shares, viz.:</i>												
Citizens.....	118 - 118	118 - 118	118 - 118	100 - 100	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150
Manhattan.....	118 - 118	118 - 118	118 - 118	100 - 100	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150	150 - 150
<i>Mining shares, viz.:</i>												
Copake Iron.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
do.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Mariposa Gold.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
do.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Minnesota Copper.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Quartz Hill Gold.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Quicksilver.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Smith & Barre.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Smith & Barre, Gold.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Union Pacific.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Boston Water Power.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Brinsford City Land.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Canton.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
Carry.....	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10	10 - 10
<i>Tea shares, viz.:</i>												
West Union.....	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44
do (Bus. Ext.).....	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44	44 - 44
<i>Steamship shares, viz.:</i>												
Atlantic.....	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108
Pacific.....	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108
do (Scrip).....	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108	108 - 108
South Am. Nav.....	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100
Union Navigation.....	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100
<i>Express shares, viz.:</i>												
Adams.....	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100
American.....	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100
United States.....	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100	100 - 100
<i>Steamship shares, viz.:</i>												
Central Am. Transit.....	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15	15 - 15
New York Guano.....	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23
Union Trust.....	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23	23 - 23

• After November 20 the Pacific Mail Steamship shares were sold, ex-dividend 5 per cent., and stock distribution 33 1/3 per cent., from which date to the end of the month the sales ranged from 170@190.

MONTHLY RANGE OF BANK STOCKS SOLD AT THE REGULAR BOARD EACH MONTH OF YEAR CLOSING DECEMBER 31, 1866.

Stocks.	Dividend.	January.	February.	March.	April.	May.	June.	July.	August.	September.	October.	Nov. m.	Decem.
America.....	10	138-135	137-140	137-137	137-140	140-140	137-137	13-137	137-137	138-139	138-138	137-137	137-137
American Exchange.....	10	110-113	113-114	110-113	115-116	113-114	113-113	13-137	113-113	119-119	113-114	113-114	114-115
Butchers' & Drivers.....	10	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130
Central.....	12	107-108	108-109	107-109	107-108	107-108	105-107	108-111	110-111	113-114	108-112	113-113	110-113
Chatham.....	15	135-137	135-137	135-137	135-137	135-137	135-137	135-137	135-137	135-137	135-137	135-137	135-137
Citizens.....	10	108-108	104-107	105-106	108-108	104-104	110-114	109-111	111-115	115-119	115-120	113-130	114-118
Commerce.....	10	101-101	101-101	101-101	101-101	101-101	101-101	101-101	101-101	101-101	101-101	101-101	101-101
Commonwealth.....	11	96-97	96-97	96-97	97-100	97-100	100-104	102-104	103-108	102-108	110-110	103-108	109-108
Continental.....	10	115-115	115-115	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114
Corn Exchange.....	10	115-115	115-115	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114
East River.....	10	115-115	115-115	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114	114-114
Fourth.....	90	212-212	212-212	212-212	212-212	212-212	212-212	212-212	212-212	212-212	212-212	212-212	212-212
Fourth.....	10	96-98	97-98	97-100	100-103	103-104	98-100	100-104	103-106	105-107	107-113	108-110	104-107
Galatin.....	10	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130
Hanover.....	13	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110
Importers' & Traders.....	9	100-100	100-103	100-103	107-110	103-115	113-114	110-113	110-110	115-115	116-117	114-114	116-117
Irving.....	10	110-110	110-110	110-110	110-110	110-110	110-110	110-110	101-101	104-107	104-107	105-105	105-105
Leather Manufacturers.....	11	180-180	180-180	180-180	180-180	180-180	180-180	180-180	180-180	180-180	180-180	180-180	180-180
Manhattan.....	10	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103
Mechanics.....	11	133-133	133-133	133-133	133-133	133-133	133-133	133-133	133-133	133-133	133-133	133-133	133-133
Market.....	10	115-115	115-115	115-115	115-115	115-115	115-115	115-115	115-115	115-115	115-115	115-115	115-115
Mech. B'g Assoc.....	10	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110
Merchants.....	10	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110	110-110
Merchants' Exchange.....	10	108-108	108-108	108-108	108-108	108-108	108-108	108-108	108-108	108-108	108-108	108-108	108-108
Metropolitan.....	19	130-133	130-133	130-133	130-133	130-133	130-133	130-133	130-133	130-133	130-133	130-133	130-133
New York.....	10	113-113	113-113	113-113	113-113	113-113	113-113	113-113	113-113	113-113	113-113	113-113	113-113
Ninth.....	30	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103
North America.....	10	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130	130-130
North River.....	11	95-95	95-95	95-95	95-95	95-95	95-95	95-95	95-95	95-95	95-95	95-95	95-95
Ocean.....	14	145-145	145-145	145-145	145-145	145-145	145-145	145-145	145-145	145-145	145-145	145-145	145-145
Park.....	10	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103	103-103
Peoples.....	14	96-96	96-96	96-96	96-96	96-96	96-96	96-96	96-96	96-96	96-96	96-96	96-96
Republic.....	8	110-112	110-112	110-112	110-112	110-112	110-112	110-112	110-112	110-112	110-112	110-112	110-112
St. Nicholas.....	25	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103
Seventh Ward.....	10	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103
Shoe & Leather.....	10	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103
State of New York.....	10	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103	100-103
Union.....	15	116-116	116-116	116-116	116-116	116-116	116-116	116-116	116-116	116-116	116-116	116-116	116-116

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of November, 1st of December, 1866, and the 1st of January, 1867, comparatively :

DEBT BEARING COIN INTEREST.

	Nov. 1.	Dec. 1.	Jan. 1.
5 per cent. bonds.....	\$198,091,350	\$198,091,350	\$198,091,350
" " of 1867 and 1868.....	16,033,742	15,837,942	15,783,442
" " of 1861.....	283,739,750	283,740,000	283,740,850
" " 5.30's.....	823,944,000	861,64,300	891,125,100
Navy Pension Fund.....	11,750,000	11,750,000	11,750,000
	\$1,333,558,842	\$1,371,068,592	\$1,400,490,742

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$9,882,000	\$10,302,000	\$10,622,000
3-year Compound Interest Notes.....	143,512,140	147,387,140	144,900,840
3-year 7.30 notes.....	724,014,300	699,933,750	676,856,600
	\$882,408,440	\$857,622,890	\$832,379,440

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$36,988,909	\$32,605,794	\$16,513,590
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DEBT BEARING NO INTEREST.

United States Notes.....	\$390,195,785	\$385,441,849	\$380,497,842
Fractional currency.....	27,588,010	23,630,349	23,733,812
Gold certificates of deposit.....	10,896,980	19,636,500	16,442,630
	\$428,680,775	\$428,698,598	\$420,673,334
Aggregate debt.....	\$2,681,636,966	\$2,684,995,875	\$2,675,062,505
Coin and Currency in Treasury.....	130,326,960	135,364,637	131,737,333
Debt, less coin and currency.....	\$2,551,310,000	\$2,549,631,238	\$2,543,325,172

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

	Nov. 1.	Dec. 1.	Jan. 1.
Gold Coin.....	\$99,413,018	\$95,168,816	\$97,841,968
Currency.....	30,913,942	40,195,821	33,895,765
Total gold coin and currency.....	\$130,326,960	\$135,364,637	\$131,737,733

COMMERCE OF NEW YORK FOR 1866.

We are able now to publish a full review of the commerce of New York for the past year, having received from the Custom House the returns for the last quarter, and revised our own figures of receipts, exports, &c.

RECEIPTS, IMPORTS AND EXPORTS OF LEADING ARTICLES.

The movement of domestic produce the past year shows considerable changes over the figures for the previous twelve months, as our readers have probably noticed in our weekly tables. In the matter of breadstuffs we have frequently called attention to the diminished receipts. This is, of course, due in great part to the falling off in the shipments East at the West, but in part also to the fact that the direct shipments to Boston and elsewhere have increased during 1866. Below we give our tables of receipts and exports for the year :

RECEIPTS OF DOMESTIC PRODUCE FOR 1865 AND 1866.

[Of the items left blank in 1865 no record was made.]

	1866.	1865.		1866.	1865.
Ashes, pkgs.....	5,924	17,210	Crude turp., bbls.....	36,886	29,150
Breadstuffs—			Spirits turp.....	59,002	18,462
Flour, bbls.....	2,780,735	2,650,490	Rosin.....	401,460	133,682
Wheat, bush.....	5,911,511	9,162,680	Tar.....	48,118	19,452
Corn, bush.....	22,696,186	15,505,905	Pitch.....	3,162	.....
Oats.....	8,699,339	9,710,625	Oil cake, pkgs.....	168,952	.....
Rye.....	1,304,799	888,135	Oil, lard.....	4,155	.....
Malt.....	526,818	.....	Oil, petroleum.....	1,057,299	558,540
Barley.....	4,861,993	*2,902,785	Peanuts, bags.....	17,914	.....
Grass seed.....	141,523	.....	Provisions—		
Flaxseed.....	66,177	.....	Butter, pkgs.....	454,049	658,470
Beans.....	47,474	.....	Cheese.....	726,143	615,615
Peas.....	414,543	.....	Cut meats.....	102,389	104,505
Corn meal, bbls.....	195,344	†280,875	Eggs.....	150,401	.....
Corn meal, bags.....	272,072	.....	Pork.....	131,668	213,120
Buckwheat & B. W. flour,			Beef, pkgs.....	70,076	102,630
bags.....	82,039	.....	Lard, pkgs.....	102,956	100,339
Cotton, bales.....	657,383	792,675	Lard, kegs.....	8,481	.....
Copper, bbls.....	17,002	.....	Rice, pkgs.....	4,544	.....
Copper, plates.....	7,312	.....	Starch.....	77,730	.....
Dried fruit, pkgs.....	23,461	.....	Stear ne.....	8,228	.....
Grease, pkgs.....	6,581	.....	Spelter, slabs.....	3,967	.....
Hemp, bales.....	2,958	.....	Sugar, hhds. & bbls.....	5,591	.....
Hides, No.....	367,030	.....	Tallow, pkgs.....	7,356	12,580
Hops, bales.....	19,289	28,690	Tobacco, pkgs.....	167,368	.....
Leather, sides.....	2,255,251	2,124,900	Tobacco, hhds.....	63,624	.....
Lead, pigs.....	6,819	.....	Whiskey, bbls.....	103,314	69,750
Molasses, hogsheads, and			Wool, bales.....	119,968	136,580
bbls.....	23,704	.....	Dressed hogs, No.....	88,652	.....
Naval Stores—			Rice, rough, bush.....	.....	.....

* Including barley malt.

† Including bags reduced to barrels.

EXPORTS FROM NEW YORK TO FOREIGN PORTS OF CERTAIN LEADING ARTICLES OF DOMESTIC PRODUCE FOR THE YEAR :

	1865.	1866.		1865	1866.
Breadstuffs—			Pitch, bbls.....	1,150	2,757
Wheat flour, bbls.....	1,402,144	914,635	Oils—Whale, galls.....	18,809	20,919
Rye flour, bbls.....	2,673	7,562	Do. sperm, galls.....	470,735	219,103
Corn meal, bbls.....	127,600	148,006	Do. lard, galls.....	27,403	28,823
Wheat, bush.....	2,527,628	522,607	Do. linseed, galls.....	13,405	92,081
Rye, bush.....	198,348	268,503	Provisions—		
Oats, bush.....	94,567	222,129	Pork, bbls.....	118,965	92,081
Barley, bush.....	.....	1,329,842	Beef, bbls.....	41,910	55,310
Peas, bush.....	88,899	282,993	Do tcs.....	51,828	28,749
Corn, bush.....	4,549,610	11,147,781	Cutmeats, lbs.....	35,743.05	29,478.691
Candles, bxs.....	86,287	70,334	Butter, lbs.....	9,718,079	2,082,723
Coal, tons.....	22,539	67,392	Cheese, lbs.....	41,688,213	39,069,500
Cotton, bales.....	221,069	282,092	Lard, lbs.....	22,793,384	28,906,600
Hay, bales.....	36,070	33,053	Rice, tcs.....	83	81
Hops, bales.....	13,674	3,046	Do. bbls.....	19,196	9,379
Naval Stores—			Tallow, lbs.....	16,550,552	14,901,800
Crude turp, bbls.....	4,631	12,532	Tobacco, crude, pks.....	167,447	104,975
Spirits turp, bbls.....	839	21,418	Do manf., lbs.....	4,155,889	5,691,557
Rosin, bbls.....	51,742	222,684	Whalebone, lbs.....	284,151	647,413
Tar, bbls.....	8,815	23,450	Petroleum, galls.....	14,593,656	33,788,937

The imports of leading articles of commerce for two years may be seen in the following table :

IMPORTS OF LEADING ARTICLES AT NEW YORK FOR 1865-6.

[The quantity is given in packages when not otherwise specified.]

	1866.	1865.		1866.	1865.
Buttons.....	5,770	4,039	Hardware.....	13,051	5,670
Coal, tons.....	231,029	312,792	Iron, R. & bars.....	243,298	218,290
Cocoa, bags.....	16,118	6,468	Lead, pigs.....	469,577	225,888
Coffee, bags.....	734,646	742,115	Spelter, lbs.....	10,217,823	4,781,071
Cotton, bales.....	2,007	20,819	Steel.....	197,761	95,615
Drugs, &c.....			Tin, boxes.....	800,471	621,890
Bark, Peruvian.....	9,667	5,502	Tin slabs, lbs.....	6,692,672	7,183,995
Bleaching pow'drs.....	24,739	18,931	Rags.....	44,067	33,419
Brimstone, tons.....	16,214	8,932	Sugar, hhds, tcs & bbls.....	375,546	286,875
Cochineal.....	1,090	2,270	Sugar, boxes & bags.....	434,003	413,477
Cream Tartar.....	1,243	1,177	Tea.....	684,118	659,551

	1876.	1865.		1876.	1865.
Gambler.....	24,098	4,712	Tobacco.....	24,863	31,439
Gums, crude.....	14,445	8,351	Waste.....	14,823	12,991
Gum, Arabic.....	4,356	4,451	Wines, &c.....		
Indigo.....	3,478	6,300	Champagne, bkts.....	112,805	68,086
Madder.....	8,196	5,094	Wines.....	383,103	117,143
Oils, essence.....	4,234	2,754	Wool, bales.....	57,755	57,515
Oil, Olive.....	97,016	37,531	Articles reported by value.....		
Opium.....	793	1,094	Cigars.....	\$1,251,891	\$961,372
Soda, bi-carb.....	141,462	67,130	Corks.....	163,828	140,074
Soda, sal.....	35,434	16,019	Fancy goods.....	4,284,510	3,413,147
Soda, ash.....	39,949	29,604	Fish.....	390,833	978,643
Flax.....	9,461	12,622	Fruits, &c.....		
Furs.....	4,653	6,132	Lemons.....	530,295	252,715
Gunny cloth.....	26,123	4,698	Oranges.....	311,631	332,415
Hair.....	4,678	3,315	Nuts.....	1,009,203	1,031,935
Hemp, bales.....	183,339	33,683	Raisins.....	1,152,943	825,322
Hides, &c.....			Hides, undressed.....	6,728,819	5,427,761
Bristles.....	2,476	1,494	Rice.....	776,470	1,094,949
Hides, dressed.....	11,564	7,032	Spices, &c.....		
India rubber.....	26,817	26,861	Cassia.....	174,008	228,075
Ivory.....	1,308	2,523	Ginger.....	50,618	50,517
Jewelry, &c.....			Pepper.....	320,522	149,128
Jewelry.....	801	736	Saltpetre.....	156,744	107,575
Watches.....	1,308	1,023	Woods.....		
Linseed.....	243,563	114,934	Fustic.....	33,911	74,228
Molasses.....	131,993	147,168	Logwood.....	153,919	196,865
Metals, &c.....			Mahogany.....	120,427	241,617
Outlry.....	5,800	3,218			

The following is a detailed import table, showing total imports of each item during 1866, which will be found very useful for reference :

Imports of Merchandise other than Dry Goods at the port of New York for the year 1866.

(The quantity is given in packages when not otherwise specified.)

Quantity.	Value.	Quantity.	Value.	Quantity.	Value.
China, Glass & E. ware—		Carmine.....	23 7,119	Manna.....	113 5,153
Bottles.....	\$68,923	Cha k.....	14,800	Muriat pot'sh419	54,719
China.....	18,338 965,259	Colocynith.....	870	Morphine.....	13 801
E ware.....	60,004 2,943,521	Creamtart'ri.....	235,030	Naphtha.....	682
Glass.....	441,745 890,655	Chickory.....	4,908 104,714	Nitrate soda.....	400,146
Glasew're.....	15,840 472,644	Copperas.....	9,584	Nitgalls.....	16,618
Glass pl.....	7,375 1,590,774	Cochineal.....	1,090 240,634	Nitrate potash.....	6,661
Drugs—		Cubebs.....	6,854	Nitrate lead.....	1,438
Acids.....	2,173 250,044	Cudbear.....	475 37,761	Oils, unispect-ed.....	2,638 202,980
Alkali.....	5,974 131,369	Cutch.....	7,668 50,137	Oil, cod.....	951 44,769
Asphaltum.....	5,588	Divi divi.....	1,003	Oil, seal.....	1,551 107,429
Albumen.....	18,180	Ergot of rye.....	586	Oil, ess.....	4,234 347,432
Aloes.....	41 8,629	Ext of Hyperic.....	4,436	Oil, linseed.....	4,731 1,330,608
Alum.....	257 77,146	Ergot.....	705	Oil, olive.....	50,886 404,184
Alumina cake.....	9,101	Flor sulphur.....	150 4,748	Oxide, cobalt.....	1,195
Ammonia, car. 10.....	365	Gelatine.....	1,337	Oil, palm.....	526 37,476
Ammonia.....	757 35,400	Gambler.....	24,098 214,124	Opium.....	793 306,426
Ammonia, sal.....	805 58,354	Gum arabic.....	4,356 312,924	Orri-root.....	1,892
Annatto.....	63 14,465	Gums, crd.....	14,445 461,151	Oxide of zinc.....	11,875
Aniline.....	84,086	Gum, copavi.....	809 37,046	Orchilla weed.....	16,563
Aniline cols.....	11 10,787	Gum copal.....	2,7 9 61,686	Paints.....	1,074 988
Arrowroot.....	726 8,232	Glue.....	564 19,595	Paris white.....	166 1,305
Argols.....	2,276 192,906	Gypsum.....	550 14,559	Perlan berr's.....	51 5,035
Asafoetida.....	2,799	Indigo.....	3,478 461,071	Potash, chlo.....	182 22,773
Arsenic.....	207 10,539	Iodine.....	5 8,101	Potash, bic'm.....	268 57,793
Bark, Peru.....	9,660 290,255	Iodine pot.....	178 29,731	Potash, hyd.....	747 24,549
Barytes.....	14,743 121,882	Ipecac.....	3 13,397	Phosphorus.....	605 29,014
Bismuth.....	6 7,655	Ipecacuanha.....	2,170	Plumbago.....	15,335
Bleach p'r.....	24,739 433,023	Insect powder.....	3,651	Pruss. potash.....	486 84,180
Blue galls.....	1,594	Herbs.....	1,000	Quinine.....	489 60,345
Blue vitrol.....	40 11,459	Isinglass.....	2 3,595	Quicksilver.....	20 41,174
Borax.....	175 9,649	Jalap.....	28 9,162	Reg. anti'y.....	1,007 79,692
Bromine.....	2 207	Lactine.....	10 2,593	Rhubarb.....	466 58,259
Brimstone.....		Lac dye.....	540 26,871	Saffron.....	902
(tons).....	16,214 460,161	Leeches.....	180 4,369	Safflower.....	10 21,107
Castor oil.....	8,377 76,393	Licorice r.....	33,380 134,791	Santorina.....	3 9,340
Campbor.....	3,507 105,116	Licorice, paste.....	13,505 399,389	Saltpetre.....	156,744
Capsules.....	4,062	Madder.....	8,196 1,378,743	Sarsaparilla.....	454 39,693
Cham'le flowers.....	727	Magnesia.....	917 15,050	Scammony.....	2,134
Cantharides.....	4,446	Manganese.....	1,111	Senna.....	10 7,463

Quantity.	Value.
Shellac.....3,921	84,909
Soda, bicarb.....	141,468
Soda, sal.....36,434	254,609
Soda, caus63,543	337,683
Soda, ash.....39,949	1,314,370
Squills.....	700
Sponges.....2,994	135,193
Sugar of lead731	43,733
Sulphur.....	6,897
Sumac.....39,700	189,463
Sulph cop'r1,656	70,935
Sulph zinc.....146	3,407
Tarqua beans.....	1,412
Ultra marine.....	5,724
Vanilla beans70	19,353
Verdigris.....60	33,933
Vitriol.....	5,669
Vermillion.....970	90,725
Vitriol of cop'r.....	15,969
Vinegar.....	15,463
Whiting.....4,077	18,297
Worm seed.....	2,706
Yellow och.2,100	15,019
Yellow ber- ries.....	19,173
Drugs, unsp.....	361,837
Furs, &c.....	698
Felting.....	15,777
Furs.....4,632	2,600,878
Hatters gds.....66	27,609
Fruits—	
Bananas.....	50,479
Citron.....	116,750
Currants.....	342,135
Dried fruits.....	48,550
Dates.....	2,497
Figs.....	53,811
Lemons.....	580,295
Nuts.....1,001,902	
Oranges.....	311,121
Preserved ginger.....	29,393
Plumapples.....	64,553
Plums.....	143,950
Prunes.....	373,461
Raisins.....	1,152,948
Sauces & pres.....	312,633
Grapes.....	6,700
Other fruits.....	13,567
Instruments—	
Chemical.....2	467
Mathematical.....92	19,370
Musical.....3,334	573,574
Nautical.....21	7,223
Optical.....393	104,648
Surgical.....13	3,244
Jewelry—	
Jewelry.....8,001	1,962,684
Watches.....1,306	2,387,765
Leather, hides, &c.—	
Boots & sho's.....459	66,861
Bristles.....2,476	974,069
Hides, dress11,504	4,784,735
Hides, un- dressed.....	6,728,819
Horns.....	30,636
Leather.....1	806
Leather, pat116	69,693
Liquors, Wines, &c.—	
Ale.....13,570	133,846
Brandy.....33,249	780,123
Beer.....3,001	26,020
Bay water.....30	1,508
Cordials.....3,381	21,874
Gin.....5,494	107,664
Mineral wa- ters.....	115
Porter.....8,445	73,630
Rum.....1,597	86,403

Quantity.	Value.
Whiskey.....2,809	58,573
Wines.....853,103	3,330,069
Champag- ne.....	112,805
1,101,183	
Metals—	
Brass goods.....308	48,373
Bronzes.....534	53,344
Chains and anchors.....8,669	3,849
Copper.....817	663,309
Cutlery.....5,600	2,463,307
Drain pipes.....	4,270
Gas fixtures.....29	5,033
Gems.....3,074	463,647
Hardware13,653	1,821,731
Iron Hoop tons.....	4,073,200,083
Iron, pig, tons.....	52,810
Iron, R.R., bars.....243,238	1,492,633
Iron, sheet, tons.....8,753	606,948
Iron tubes.....8,971	45,543
Iron, other, tons.....46,697	2,200,949
Lead.....468,577	2,485,840
Metal g'ds.....2,303	530,410
Nails.....817	38,517
Needles.....734	304,123
Nickel.....533	180,693
Old Metal.....	172,113
Plated ware.....296	81,446
Platina.....29	65,608
Percussion Caps.....678	125,539
Saddlery.....329	93,533
Steel.....197,764	2,949,349
Spelter10,217,323	452,759
Silver ware.....41	11,413
Tin plate, box.....800,471	5,692,423
Tin slabs, lbs.....6,692,672	1,120,723
Wire.....1,934	93,007
Zinc, lbs.....10,285,312	611,426
Spices—	
Cassia.....	174,603
Cinnamon.....	1,921
Cloves.....	31,368
Ginger.....	50,618
Mace.....	9,811
Mustard.....	23,013
Nutmegs.....	102,138
Pepper.....	220,523
Pimento.....	46,961
Other Spices.....	6,199
Stationery—	
Books.....5,224	831,633
Engravings.....	697
Paper.....36,215	1,453,560
Other station- ery.....	4,343
453,481	
Woods—	
Brazilian wood.....	81,338
Camphor wood.....	4,189
Cedar.....	30,376
Cork.....	80,724
Fustic.....1,871	33,911
Lignum vite.....	24,633
Logwood.....23,357	153,919
Mahogany.....	120,427
Rattan.....	61,258
Rosewood.....	42,171
Japan wood.....	409
Willow.....	68,436
Palm leaf.....	4,261
Other woods.....	233,039
Miscellaneous—	

Quantity.	Value.
Alabaster.....	11,199
Animals.....	4,686
Baskets.....4,680	198,743
Bags.....	57,743
Bone dust.....	745
Boxes.....	57,753
Bricks.....	11,385
Blacking.....	4,928
Buttons.....5,770	1,389,826
Building stone.....	43,719
Bar stones.....	26,180
Candles.....	11,148
Carriages.....2	5,535
Clay.....	5,068
Cheese.....	188,841
Cigars.....	1,251,891
Coal (tons)231,029	553,293
Corks.....	163,382
Cotton.....2,007	157,113
Clocks.....	945
Cocoa (bg)16,413	318,330
Coffee bags778	894
12,303,783	
Emery.....	21,305
Fancy goods.....	4,224,510
Farina.....1,660	14,066
Fans.....	3,697
Feathers.....	136,003
Fire crackers.....	158,187
Fish.....	680,832
Flax.....9,461	450,453
Flour.....	23,425
Furniture.....153	38,366
Grain.....	17,356
Grindstones.....2	17,770
Gunny cloth26,022	638,646
Gutta percha.....	5,800
Guano.....9,532	168,565
Gunpowder.....	2,556
Hair.....4,878	692,336
Hair cloth.....631	340,537
Hemp.....138,269	2,203,267
Honey.....3,241	110,519
Hops.....7,801	516,673
Horses.....2	2,750
Ind. rub'r26,817	1,924,331
Ivory.....1,308	263,514
Lith stones.....	1,344
Machinery.....8,638	561,313
Marble and mid do.....478	174,907
Matches.....62	3,210
Macaroni118,613	49,773
Molasses131,893	3,616,165
Oakum.....800	678
Oil paintings855	470,462
Onions.....	19,120
Pap hang's1,751	117,586
Personal effects.....	227
Perfumery.....8,342	314,095
Plaster.....	17,817
Pitch.....	1,040
Pipes.....	836,041
Potatoes.....	22,176
Provisions.....638	104,829
Rags.....44,167	1,926,925
Rice.....	776,470
Rope.....	147,814
Rosin.....56	258
Sago.....543	19,340
Sago flour.....	13,636
Salt.....	493,050
Seeds, unspec.....	241,532
Castor s'dis150	55,481
Linseed.....243,563	1,043,431
Soap.....60,723	157,392
Stationery.....12	67,967
S'arch.....	86,949
Sugar (hds, bbls & tcr)375,546	16,047,265

Quantity Value.	Quantity Value.	Quantity Value.
Sugar, (boxes & bags) 454,008 5,533,853	Twine.....601 38,590	Wax.....2,944
Tar.....200 744	Toys.....13,283 597,154	Wool (bals) 57,155 5,065,043
Tapioca.....1,097 19,617	Tobacco.....24,368 664,183	Other misc.....64,587
Trees & plants 19,213	Tomatoes.....7,385	
Tea.....634,118 8,086,399	Waste.....14,633 615,081	Grand total. \$170,812,300
	Whalebone.....494 65,453	

We now bring forward our figures showing the total foreign commerce at this port for a series of years.

EXPORTS.

The exports for the year show an increase over 1865, but still do not equal the figures for 1864. It should be remembered, however, that for the past two years, and especially the last twelve months, the foreign shipments direct from Southern ports have been large, so that New York exports do not now represent nearly as large a proportion of the exports of the country as during the years of the war. The shipments of cotton alone from the South direct to foreign ports for 1866 amounted to over one million bales. If to this we were to add tobacco, naval stores, &c., we would discover one reason why we have been able to import so largely the past year without working serious disturbance to monetary affairs by reason of our foreign balances. The following statement exhibits the quarterly exports for the past six years. As the shipments of merchandise are reckoned at their market price in currency, we have given in the same connection the range of gold.

EXPORTS FROM NEW YORK TO FOREIGN PORTS EXCLUSIVE OF SPECIE.

	1861	1862	1863	1864	1865	1866
	\$	\$	\$	\$	\$	\$
1st quarter.....	33,477,742	22,075,568	50,614,908	41,429,756	46,710,118	60,972,531
Price of gold.....	par	101½-104½	152½-172½	151½-169½	196½-234½	124½-145½
2d quarter.....	33,123,439	29,793,344	41,046,736	48,446,636	24,216,567	46,766,336
Price of gold.....	par	101½-109½	140½-157½	166½-250	128½-147½	125-167½
3d quarter.....	30,075,918	45,318,299	38,825,657	79,519,134	41,521,493	38,381,202
Price of gold.....	par	108½-124	122½-145	191-235	138½-146½	143½-147½
4th quarter.....	41,917,752	49,747,611	40,224,747	52,426,966	67,178,421	46,009,435
Price of gold.....	par	142-184	140½-156½	189-280	148½-145½	131½-154½
Total.....	138,594,901	156,984,822	170,718,768	221,822,542	178,626,599	192,329,554

We now annex our usual detailed statement showing the exports of domestic produce, foreign dutiable and free goods, and specie and bullion, during each month of the last six years:

EXPORTS OF DOMESTIC PRODUCE.

	1861.	1862.	1863.	1864.	1865.	1866.
January.....	\$10,277,925	\$12,053,477	\$14,320,398	\$11,448,953	\$16,023,621	\$19,764,907
February.....	10,263,820	10,078,101	17,780,586	13,662,318	15,043,505	16,768,120
March.....	10,580,947	8,985,176	16,137,689	14,410,051	13,898,565	23,291,485
April.....	9,255,648	8,002,094	11,581,933	13,263,712	7,220,709	22,526,822
May.....	10,855,709	9,837,693	13,183,510	11,610,498	7,882,565	12,321,623
June.....	10,270,430	10,043,832	14,780,072	17,996,495	8,079,802	9,601,069
July.....	9,562,789	14,056,437	15,298,073	26,251,673	12,521,246	13,057,476
August.....	9,662,301	13,046,389	10,696,959	26,617,850	14,500,860	12,646,004
September.....	9,877,909	14,734,993	11,717,701	15,595,545	12,763,484	1,635,610
October.....	12,904,350	19,476,947	14,513,454	16,740,404	20,986,636	14,593,664
November.....	14,109,763	14,060,340	11,412,591	12,015,064	22,763,327	13,651,464
December.....	13,661,444	14,805,112	12,346,151	19,248,528	22,562,524	16,817,615
Total.....	131,235,996	149,179,591	164,249,177	201,855,969	174,247,154	196,655,969

EXPORTS OF FOREIGN FREE.

January.....	\$399,940	\$37,193	\$78,111	\$42,389	\$105,431	\$33,801
February.....	137,950	49,099	43,880	77,698	74,793	26,605
March.....	109,270	65,338	213,685	73,697	307,221	57,197
April.....	269,573	56,350	74,949	48,461	57,544	130,354
May.....	308,114	76,971	103,337	40,898	54,500	151,393
June.....	648,489	43,368	49,380	76,709	35,417	55,074
July.....	393,325	1,117,193	77,239	349,404	23,236	27,269
August.....	57,965	417,100	90,815	126,537	45,045	50,720
September.....	30,013	697,937	55,400	848,742	64,003	29,372
October.....	60,868	179,305	149,235	69,965	33,225	33,061
November.....	41,973	45,533	56,534	64,914	109,155	64,001
December.....	75,474	103,489	55,555	425,031	24,165	44,365
Total.....	\$2,154,947	\$3,853,548	\$1,037,212	\$2,142,458	\$938,735	\$706,483

EXPORTS OF FOREIGN DUTIABLE.

January.....	\$165,978	\$149,493	\$668,275	\$664,485	\$433,556	\$284,909
February.....	429,537	208,757	610,009	456,493	639,509	400,122
March.....	689,415	458,917	758,266	599,959	191,227	320,165
April.....	231,784	607,673	375,224	558,812	433,393	654,019
May.....	567,873	752,797	602,254	569,888	320,210	759,857
June.....	903,877	372,561	298,067	1,282,218	131,425	606,255
July.....	260,666	449,948	448,601	5,137,460	262,593	401,734
August.....	176,581	256,650	231,774	2,231,733	135,173	226,796
September.....	264,168	572,572	234,972	2,460,138	300,354	306,244
October.....	192,196	434,265	350,614	1,104,299	22,072	186,108
November.....	377,170	284,873	383,948	1,126,069	203,091	263,600
December.....	494,514	352,902	458,575	1,632,503	238,606	551,657
Total.....	\$5,203,359	\$4,901,383	\$5,425,579	\$17,524,095	\$3,440,410	\$4,997,103

EXPORTS OF SPECIE AND BULLION.

January.....	\$53,894	\$2,658,374	\$4,634,574	\$5,452,079	\$3,184,853	\$2,706,336
February.....	1,102,926	3,776,919	3,365,664	3,015,397	1,023,301	1,507,080
March.....	301,893	2,471,223	6,539,442	1,900,559	881,918	1,045,039
April.....	1,412,674	4,087,675	1,972,334	5,893,077	871,240	588,875
May.....	123,901	5,161,636	2,115,675	6,460,930	7,255,071	23,744,194
June.....	244,243	9,367,614	1,367,774	6,533,109	5,199,472	15,890,956
July.....	11,020	8,169,337	5,269,881	1,947,329	723,936	5,821,459
August.....	3,600	3,713,533	3,435,261	1,001,813	1,554,393	1,537,851
September.....	15,756	3,963,919	3,490,385	2,535,398	2,494,973	834,550
October.....	15,038	6,707,519	6,210,156	2,577,121	2,516,225	1,463,410
November.....	46,395	6,213,251	5,433,363	7,267,662	2,046,180	3,776,696
December.....	893,013	3,673,113	5,259,053	6,104,177	2,752,161	3,297,270
Total.....	\$4,236,250	\$59,487,021	\$49,754,066	\$50,625,621	\$30,003,683	\$62,553,700

TOTAL EXPORTS.

January.....	\$11,302,737	\$14,883,437	\$19,695,358	\$17,609,749	\$19,746,451	\$22,814,543
February.....	11,907,333	14,113,543	12,400,145	17,211,176	16,774,008	19,062,577
March.....	11,313,394	11,980,714	23,696,063	16,393,236	14,799,626	24,718,836
April.....	11,709,679	12,703,797	14,004,940	19,754,063	8,582,597	23,589,970
May.....	11,732,595	15,832,097	16,004,780	21,632,200	10,513,346	36,937,007
June.....	12,067,031	20,332,375	16,493,233	25,837,531	13,446,116	26,153,374
July.....	10,023,000	23,664,915	21,092,787	38,565,986	16,536,061	19,307,923
August.....	9,590,448	17,443,701	14,454,509	20,977,852	16,235,474	14,511,361
September.....	10,178,846	19,061,471	15,492,518	21,739,826	6,523,314	13,805,773
October.....	13,172,453	26,797,836	21,819,549	20,431,739	23,788,469	16,276,293
November.....	14,577,291	20,603,942	17,202,436	20,473,659	25,126,753	17,750,755
December.....	15,184,445	18,939,615	18,619,334	27,410,438	25,577,766	20,710,807
Total.....	143,981,151	216,871,543	220,465,034	272,648,163	208,630,282	254,886,254

The exports of specie through the year will be seen from the foregoing to have been large, owing to the monetary disturbance in Europe and the consequent return of United States bonds.

TOTAL IMPORTS.

The imports for the year at this port have been very large, as our readers

already have seen from our weekly tables; in fact the total is without precedent, reaching the enormous sum of three hundred and six millions of dollars. It should be remembered also that this is the foreign gold value, without freight or duty being added. There is reason, however, why the imports for the year should reach so unusual a figure; and it is to be found in the fact that this port has been called upon to supply not only the usual portions of the country which draw their imports from this point, but to a very great extent the whole South. For while there has been a large direct export of cotton and other Southern staples from the South, as we have shown above, the imports have to a very considerable extent passed through New York. In the following we classify the total imports, giving separately the dry goods, general merchandise and specie:

FOREIGN IMPORTS AT NEW YORK.

	1862	1863	1864	1865	1866
Dry goods.....	\$56,121,237	\$67,774,547	\$71,569,753	\$92,061,146	\$126,222,855
en'l mer'dise.....	117,140,813	118,814,219	144,270,388	130,577,998	170,812,300
specie.....	1,890,277	1,625,811	2,365,623	2,123,281	9,573,029
Total imports.....	\$174,652,317	\$187,214,577	\$218,125,760	\$224,762,419	\$306,613,184

We now give for comparison the previous years since 1851, classifying them into dutiable, free, and specie. Under the head of dutiable is included both the value entered for consumption and that entered for warehousing. The free goods run very light, as nearly all the imports now are dutiable.

FOREIGN IMPORTS AT NEW YORK.

Year.	Dutiable	Free goods.	Specie.	Total.
1851.....	\$119,562,264	\$9,719,771	\$2,049,543	\$131,331,578
1852.....	119,330,053	13,105,343	2,408,225	134,843,619
1853.....	179,512,413	12,156,357	2,489,068	194,097,832
1854.....	163,404,984	15,768,916	2,107,572	181,371,472
1855.....	142,900,661	14,103,946	855,681	157,860,288
1856.....	191,839,040	17,912,578	1,814,425	210,566,043
1857.....	196,279,369	21,440,734	12,895,033	230,615,129
1858.....	128,578,256	22,034,591	2,264,120	152,867,067
1859.....	213,640,373	23,708,732	2,616,421	240,165,516
1860.....	201,401,658	23,006,447	6,862,930	231,271,035
1861.....	96,326,459	30,353,917	37,088,413	163,768,790
1862.....	119,970,415	23,291,625	1,390,277	144,652,317
1863.....	174,521,766	11,567,000	1,535,511	187,614,277
1864.....	204,123,283	11,731,902	2,265,623	218,125,760
1865.....	212,203,901	10,410,887	2,123,281	224,742,419
1866.....	264,063,567	13,001,568	9,573,029	306,613,184

Below we give a detailed statement showing the receipts from foreign ports during each month of the year, for the last six years, both of dutiable and free goods, and what portion were entered for warehousing, and the value withdrawn from warehouse:

IMPORTS ENTERED FOR CONSUMPTION.

	1861.	1862.	1863.	1864.	1865.	1866.
January.....	\$3,178,637	\$5,763,306	\$3,741,227	\$12,422,618	\$5,217,495	\$18,566,726
February.....	7,003,899	7,053,174	7,372,539	15,766,601	5,178,774	17,399,505
March.....	6,700,061	10,312,639	11,461,573	15,848,425	7,066,136	15,200,809
April.....	5,393,809	7,141,197	9,493,830	18,951,700	5,528,575	13,368,448
May.....	2,839,589	8,091,120	7,980,231	7,731,300	6,592,157	13,563,551
June.....	1,825,563	7,273,953	6,328,541	5,513,985	8,542,271	10,632,723
July.....	3,200,663	13,799,505	9,080,210	6,332,928	10,175,890	14,304,403
August.....	3,359,695	10,239,427	10,004,580	6,603,653	15,908,743	14,560,161
September.....	3,106,298	11,890,711	11,203,535	4,390,114	16,748,595	13,278,489
October.....	3,638,580	8,462,534	11,885,569	3,770,526	16,367,282	13,812,206
November.....	4,614,982	6,665,185	10,378,929	3,363,559	16,655,764	10,688,544
December.....	4,342,756	6,831,073	10,493,576	4,442,542	14,800,606	8,447,064
Total.....	\$54,254,231	104,483,964	114,377,429	104,988,511	123,467,155	163,800,639

IMPORTS ENTERED WAREHOUSE

January.....	\$8,560,690	\$2,141,735	\$4,482,794	\$5,571,936	\$4,510,225	\$10,941,576
February.....	3,751,878	3,370,490	3,657,775	4,901,898	5,568,127	11,628,677
March.....	3,084,187	4,811,846	6,016,901	6,641,408	7,872,555	9,539,100
April.....	4,117,678	3,653,918	6,456,208	8,905,740	7,448,371	10,159,637
May.....	5,842,513	4,600,920	5,377,404	14,727,176	5,288,049	12,942,407
June.....	3,245,504	3,574,127	5,437,885	16,906,964	7,123,799	10,957,060
July.....	1,769,636	4,502,764	6,057,249	14,954,385	7,815,947	11,391,274
August.....	2,660,457	2,939,721	4,409,591	10,437,478	7,563,209	8,123,406
September.....	1,390,766	4,381,084	3,431,310	5,258,568	4,936,209	7,817,045
October.....	2,032,581	2,480,806	4,189,457	5,333,993	5,903,993	8,113,849
November.....	2,150,561	2,108,009	4,966,415	4,190,123	9,184,116	8,345,869
December.....	2,346,387	4,212,725	5,676,955	4,260,862	10,506,502	10,108,018
Total.....	\$41,072,228	45,486,431	60,144,237	99,189,435	83,741,146	20,232,938

IMPORTS OF FREE GOODS.

January.....	\$2,925,665	\$2,553,050	\$2,413,649	\$841,050	\$840,129	\$1,223,777
February.....	2,812,563	3,281,473	783,561	797,788	620,143	1,504,253
March.....	2,873,697	4,476,004	1,323,806	1,075,849	890,450	1,179,177
April.....	3,351,905	2,332,315	1,328,216	1,025,517	961,026	1,153,683
May.....	2,730,548	1,446,093	710,021	1,068,576	818,818	859,416
June.....	2,191,513	1,122,092	781,053	1,263,634	953,226	1,002,330
July.....	2,972,054	1,381,931	683,880	917,694	836,431	889,549
August.....	1,816,124	982,999	609,781	958,473	836,533	831,877
September.....	1,577,585	1,784,804	784,864	633,537	795,468	640,053
October.....	2,163,453	1,004,870	741,856	855,079	795,518	1,471,951
November.....	1,964,644	1,526,496	665,307	911,976	1,159,248	872,514
December.....	2,574,248	1,950,504	834,074	1,125,718	913,937	947,999
Total.....	\$30,353,018	\$23,261,632	\$11,567,000	\$11,781,902	\$10,410,837	\$13,001,568

IMPORTS OF SPECIE

January.....	\$7,262,229	\$163,568	\$101,906	\$141,790	\$52,268	\$52,771
February.....	2,274,087	62,007	213,971	88,150	106,904	172,122
March.....	5,546,406	89,227	122,716	104,437	242,242	285,854
April.....	1,953,001	36,153	107,061	226,814	236,492	161,817
May.....	3,486,819	110,388	197,217	660,094	177,065	293,078
June.....	5,387,153	61,028	102,997	146,731	236,032	94,549
July.....	6,996,498	219,001	182,245	128,023	255,640	245,961
August.....	1,049,552	92,708	113,377	245,858	182,072	269,321
September.....	1,231,012	121,318	78,231	58,220	194,224	5,193,478
October.....	639,828	256,676	78,053	139,775	77,042	1,434,168
November.....	908,625	109,708	103,144	161,727	236,526	802,937
December.....	353,530	78,316	116,493	114,976	127,054	353,053
Total.....	\$37,088,413	\$1,390,277	\$1,535,611	\$2,265,623	\$2,122,281	\$9,573,929

TOTAL IMPORTS.

January.....	\$36,972,411	\$12,620,829	\$15,739,576	\$13,977,394	\$10,620,117	\$30,109,880
February.....	16,341,727	13,872,140	13,027,846	21,648,937	11,473,668	30,092,567
March.....	18,204,351	18,719,866	18,397,595	23,667,119	16,012,373	26,204,940
April.....	14,886,393	13,265,883	17,385,315	26,163,631	14,174,464	24,340,605
May.....	14,949,281	14,248,521	14,334,925	23,970,144	12,876,109	28,313,447
June.....	12,649,733	12,396,196	12,597,518	22,996,314	14,965,321	22,736,653
July.....	14,938,851	20,353,002	16,003,677	23,883,299	19,161,838	26,851,187
August.....	8,865,928	14,304,843	15,033,129	18,223,463	24,475,608	22,894,665
September.....	7,305,461	18,047,917	15,499,940	10,539,459	22,674,496	27,079,098
October.....	8,522,741	13,413,906	16,804,967	10,068,808	23,134,775	24,823,184
November.....	9,639,012	10,309,398	16,045,695	8,597,595	27,295,651	20,710,864
December.....	9,616,921	13,072,618	17,126,098	9,935,098	26,048,099	19,852,174
Total.....	152,768,790	174,652,317	187,014,577	218,125,760	224,742,419	306,612,194

WITHDRAWN FROM WAREHOUSE.

January.....	\$2,542,273	\$4,256,252	\$2,881,521	\$4,950,418	\$5,653,554	\$7,424,398
February.....	5,731,739	3,466,641	2,499,127	5,235,080	5,073,619	7,666,542
March.....	5,817,144	3,839,567	3,456,530	5,215,958	5,795,512	7,544,644
April.....	1,761,245	4,405,410	4,132,683	14,153,873	7,880,008	8,640,280
May.....	1,906,684	2,700,223	9,794,773	659,699	10,277,170	9,450,597
June.....	1,963,642	5,064,103	4,320,387	2,544,914	6,240,959	9,967,421
July.....	6,622,454	6,102,053	4,227,965	3,356,873	8,012,411	11,084,242
August.....	2,614,052	2,326,804	4,429,421	4,907,648	9,061,136	10,530,593
September.....	2,938,464	2,715,630	6,942,561	6,852,329	8,042,003	11,091,194
October.....	2,513,080	3,109,338	4,853,512	5,504,133	4,059,326	8,789,893
November.....	1,867,636	1,914,963	4,084,153	5,893,894	4,249,351	6,126,772
December.....	3,561,687	1,232,908	3,742,294	5,400,744	3,636,602	4,564,836
Total.....	39,717,259	41,568,754	50,851,167	67,480,778	80,534,842	100,941,263

Below we give in detail the receipts for customs at New York each month of the last five years :

RECEIPTS FOR CUSTOMS AT NEW YORK.

	1862	1863	1864	1865	1866
January.....	\$3,851,657 22	\$4,127,906 82	\$6,180,536 00	\$4,231,737 47	\$12,437,474 16
February.....	3,565,063 83	3,590,713 97	7,474,027 93	4,791,247 10	12,003,273 74
March.....	4,626,862 86	4,554,400 13	7,679,770 47	5,392,099 26	11,178,164 92
April.....	4,149,962 86	3,967,197 57	13,952,555 60	6,309,994 34	10,950,896 78
May.....	4,784,924 62	3,873,965 42	3,855,196 46	8,133,433 06	11,418,492 10
June.....	4,661,927 19	3,738,934 06	3,811,143 43	7,537,075 84	9,559,588 38
July.....	7,211,517 68	4,912,718 49	3,539,543 44	9,778,276 65	11,507,186 60
August.....	4,762,531 54	7,296,785 58	6,227,864 17	13,112,659 50	13,349,700 82
September.....	5,239,045 50	7,270,543 65	4,084,492 54	12,929,615 64	13,334,144 65
October.....	4,309,419 87	6,238,943 46	3,670,188 39	10,973,513 01	11,003,043 06
November.....	3,004,270 23	5,075,816 24	3,455,156 53	9,933,483 96	7,716,886 67
December.....	3,664,598 83	5,243,189 03	3,440,853 67	5,340,750 87	5,707,547 99
Total.....	52,274,116 75	58,886,054 42	66,937,127 51	101,772,905 94	128,079,761 60

The total custom receipts for the year amount to \$128,079,761, as given in above table. This is a large increase over previous years, and probably larger than it will be for some years to come.

DRY GOODS IMPORTS FOR 1866.

In the foregoing we have classified the imports, showing that the total dry goods amounted to \$126,222,855. We now give a detailed statement of the dry goods imports, showing the description of goods and the relative totals for the previous five years :

IMPORTS OF DRY GOODS AT NEW YORK.

Description of goods.	1862.	1863.	1864.	1865.	1866.
Manufactures—					
Wool.....	\$25,713,592	\$29,703,956	\$31,411,935	\$36,053,190	\$50,405,179
Cotton.....	8,501,512	7,913,957	8,405,345	15,448,054	21,287,490
Silk.....	11,568,807	15,534,469	16,194,880	20,476,210	24,337,734
Flax.....	7,666,946	10,881,059	11,621,331	15,521,190	20,456,870
Miscellaneous dry goods.....	2,665,370	3,731,106	3,956,630	4,561,586	9,235,582
Total imports.....	\$56,121,227	\$67,274,547	\$71,589,752	\$92,061,140	\$126,222,855

The increase this year has been pretty evenly distributed among the different classes of goods. We now give a summary of the imports each month, from which can be seen the course of the trade throughout the year. The returns for the previous four years are added :

TOTAL IMPORTS OF DRY GOODS AT NEW YORK.

	1862.	1863.	1864.	1865.	1866.
January....	\$1,965,952	\$5,299,181	\$2,184,314	\$2,350,635	\$15,769,691
February.....	5,344,514	5,027,357	9,437,454	7,723,690	16,701,578
March.....	6,719,901	9,204,581	12,635,137	5,394,599	15,533,273
April.....	3,296,498	4,384,007	5,220,245	3,969,706	7,336,544
May.....	2,914,483	3,612,511	6,081,136	3,931,468	7,299,112
June.....	3,535,103	2,901,423	4,801,703	5,443,062	6,775,244
July.....	5,628,014	4,713,365	6,762,750	7,226,233	10,727,463
August.....	8,707,710	8,316,878	7,539,800	13,462,265	14,870,333
September.....	6,185,193	5,892,712	4,107,449	11,198,257	9,175,675
October.....	3,865,788	6,509,783	2,996,100	12,187,331	8,438,550
November.....	3,710,357	6,071,308	2,235,107	12,657,937	7,259,236
December.....	3,466,405	5,371,041	1,556,567	10,586,951	5,989,731
Total.....	\$56,121,227	\$67,274,547	\$71,589,752	\$92,061,140	\$126,222,855

The above statement shows that about two-thirds of the imports for the year were during the first six months. As our readers may be interested in seeing the

totals for the anterior period, we annex the following, showing the total imports of dry goods at this port each year since 1849 :

IMPORTS OF FOREIGN DRY GOODS AT NEW YORK.

	Invoiced value.		Invoiced value.		Invoiced value.
1849	\$44,485,575	1855	\$54,974,062	1861	\$43,636,689
1850	60,106,371	1856	92,362,893	1862	50,111,327
1851	62,846,731	1857	90,534,129	1863	67,274,547
1852	61,454,144	1858	60,154,509	1864	71,539,752
1853	93,704,211	1859	113,152,624	1865	92,066,140
1854	80,342,986	1860	108,927,100	1866	126,222,585

ACTION BROUGHT BY PRESIDENT JOHNSON FOR DAMAGES BY FRENCH CONFEDERATE CRUISERS.

The Paris correspondent of the *Liverpool Express*, under date of Dec. 31, gives an account of a law suit of very great interest, which was heard on the preceding day in a preliminary stage, before the Civil Tribunal of the Seine presided over by M. Benoit Champy. The plaintiff is Andrew Johnson, President of the United States ; and the defendants are M. Arman, the great ship-builder of Bordeaux, a member of the Corps Legislatif, and others. The circumstances of the case fully appear from the declaration filed by the President of the United States, which is as follows :—

whereas in the course of the year 1861, several States belonging to the Republic of the United States of America took up arms against Federal authority, and attempted to form a separate confederation under the denomination of the Confederate States of the South ; and whereas the French Government did, it is true, recognize the said states as belligerents by an Imperial declaration published in the *Moniteur Universel*, of June 30, 1861 ; but whereas the said declaration positively prohibited French citizens from taking any part whatsoever in the manning or arming of any ship of war or privateer belonging to either party, and moreover strictly enjoined all French subjects to refrain from any act whatsoever which, in violation both of the laws of the Empire and of the law of nations, might be considered as a hostile act towards either party and contrary to neutrality ; and whereas in defiance of the precise terms of the above declaration, and of the various laws on which it was grounded, and at the risk of most seriously compromising French neutrality, a joint-stock company for the purpose of supplying vessels of war to the so called Confederate States, was formed in France under the inspiration and direction of the defendant Arman of the one part and the defendants Voruz, Joilet, Babin, Dubigeon and Mazeline, of the other part ; and whereas by verbal conventions agreed upon in Paris on April 15, 1863, M. Arman contracted with one Bullock, a confederate agent, as well to build in his own docks two ships of war for the Confederate States as to obtain from MM. Voruz, Joilet, Babin, Dubigeon and Mazeline a contract for the construction of two other similar ships ; and whereas the price of the four ships aforesaid was fixed at 1,800,000f each, or 7,200,000f in all, the money to be payable in Paris ; and whereas it being impossible that these contracts could be otherwise than provisional so long as permission for the sailing of these armed ships was not obtained, M. Arman did, on June 1, 1863, solicit

the Minister of Marine for permission to take away the ships aforesaid, armed with from 12 to 14 guns, alleging that they had been ordered of him for the account of a foreign merchant, who wanted them for a mercantile packet service in the Pacific and Chinese seas, and who moreover looked forward to the possibility of selling them as ships of war to China or Japan; and whereas the Minister of Marine, deceived by the above false and fraudulent allegation, granted the permission required on June 6; and whereas, on the very same day, on the ministerial authorisation being communicated to him, M. Flisell [Qy. Sli-dell], who assumed the quality of Confederate envoy in Paris, confirmed the contract which had been made by Bullock on the preceding 15th of April; and whereas three days after this ratification, and on June 9, M. Erlanger, a banker in Paris, and a financial agent for the pretended Confederate Government, undertook for a commission of 5 per cent. to guarantee M. Arman the payment of the first two-fifths of the stipulated price for the four ships; and whereas the adhesion of MM. Voruz & Co. to the verbal convention of April 15 was obtained by M. Arman; that Arman and his co-defendants received accordingly, in the course of the year 1863, at least two-fifths of the price, i. e. 2,800,000f.; and whereas the French Government being informed by the American Government of the real destination of the four ships aforesaid, did, in October, 1863, expressly withdraw the permission which had been obtained from it by fraud and surprise, and upon the faith of which alone the payments on account aforesaid were made to Arman and his co-defendants; and whereas it appears from the facts above stated, that Arman and his co-defendants are now holders, without any lawful right or title, of the sums of money handed to them in pursuance of an illicit contract, and which sums they ought to refund; and whereas the Government of the United States is the only party entitled to call for the restitution of the sums of money aforesaid; and whereas Arman and his co-defendants having acted in bad faith in receiving the sums aforesaid, are bound to refund the same with interest; and whereas the said defendants have by their conduct done most serious damage to the United States, and in particular did, so far as depended on them, prolong the duration of the rebellion by contributing to accredit the belief that the French Government favored the cause of the Southern States, and was even about to recognize in them a distinct nationality; and whereas the Government of the United States is, therefore, justified in suing the defendants jointly and severally for reparation for the damage done as aforesaid, and whereas the sum of 2,800,000f., with interest, can only be considered an extremely moderate estimate of the damage so caused—May it please the court to condemn the said defendants to pay the Government of the United States the sum of 2,800,000f., with costs of suit, and without prejudice to any further claim for damages, or for larger sums which they may be proved to have received on account of the said ships.

The interlocutory motion made by the counsel for the defendants, was (says the correspondent) one simply of course that President Johnson, as a foreigner suing in a French court, should give proper security for costs (*judicatum solvi* is the French term) in case of his losing the action. The only question before the court was what that amount should be, and upon this the estimates of counsel on either side differed widely. On the one part it was con-

tended that registry dues for the transfer of the various ships in question which had been sold ought to be provided for by the caution money; while, on the other, it was said that these dues, being incurred subsequent to a fraudulent transaction, could in no event whatever be charged to the United States, and that it would be a great libel on the assumed cheapness of French law to fix the security for costs at more than 5,000 francs. The court, however, gave the defendants the utmost sum they asked for, and "condemned" Andrew Johnson—condemned being no doubt the matter-of course and appropriate word—to pay 150,000 francs (\$30,000) into court.

PRUSSIAN NAVY.

According to the publication which has been made in Germany, the merchant navy of the new Confederation, of which Prussia is the head, will be composed as follows:—

	No. of Vessels.	Tonnage.
Prussia	1,665	382,391
Hanover	924	121,873
Schleswig-Holstein	2,637	151,767
Mecklenburg-Schwerin	418	151,992
Oldenburg	650	66,678
Hamburg	530	238,140
Bremen	208	200,800
Lubeck	45	16,570
	7,077	1,336,719

In reality the total is rather larger, the figures here given being only of the year 1863 for Hanover, of 1862 for Schleswig-Holstein, and of 1864 for other countries. The difference, however, cannot be great. The Germans give the following as a comparison of the mercantile fleet of the Confederation with those of other countries. The figures are not, perhaps, quite exact, but they are sufficiently so for the purpose sought:—

	No. of Vessels.	Tonnage.
England	23,692	5,328,073
United States	—	5,726,081
Sweden and Norway	8,605	1,440,009
Prussian Confederation	7,167	1,336,719
France	15,092	985,235
Italy (including Venetia)	17,911	718,561
Holland	2,231	510,152
Austria (without Venetia)	8,182	300,525

It thus appears that in tonnage the new Confederation occupies the fourth rank in maritime states, and that it is already superior to France.

COMMERCIAL CHRONICLE AND REVIEW.

Business for December.—Rate of Interest.—Speculation in Gold.—Course of Governments.—Consols and American Securities at London.—Compound Interest Notes—Course of Exchange.—Movements of Treasure, &c.

The course of business during December has been unsettled and irregular. An currency to the South, connected with speculative tampering with the money market, have produced a partial stringency in the money

market, and the prices of securities have consequently generally declined. The rate of interest has ranged at 7 per cent., and in some instances a commission additional has been paid. The high rates paid for demand loans have naturally checked the disposition to invest in business paper, and discounts of prime bills have ruled at 7@8 per cent. Owing to the release, at the close of last week, of a considerable amount of greenbacks held out of circulation through a system of hypothecating them, to aid speculations for a decline in stocks, the month closed with easier symptoms in the money market, but the rate of interest was maintained at 7 per cent. up to the close.

The following are the rates of loans and discounts during the month :

RATES OF LOANS AND DISCOUNTS.

	Dec. 7.	Dec. 14.	Dec. 21.	Dec. 28.
Call loans	6 @ 7	6 @ 7	5 @ 7	7 @ -
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	6 @ -	6½ @ -	6½ @ -	7 @ -
Good endorsed bills, 3 & 4 mos.....	6½ @ 7½	6½ @ 7	- @ 7	7 @ 8
" " single names.....	7 @ 8	7 @ 8	7 @ 8	8 @ 9
Lower grades	8 @ 10	8 @ 10	8 @ 10	9 @ 10

Gold speculation has been unusually active, the transactions having probably equalled the most active months during the war. The course of the premium has been steadily downward. The price opened at 141½, and on the 27th touched 131½, a fall of 10½ points. The largely oversold condition of the market induced, during the last week of the month, an active demand for covering "short" contracts, and the price closed at 133½. The following comparison will show the course of the premium during December :

COURSE OF GOLD AT NEW YORK, DECEMBER.

Date.	Open'g	High'st	Lowest	Closing	Date.	Open'g	High'st	Lowest	Closing
Saturday	1 141½	141½	140½	141½	Thursday.....	20 136½	136½	134½	134½
Sunday.....	2				Friday.....	21 134½	134½	133½	133½
Monday.....	3 141½	141½	140½	140½	Saturday.....	22 133½	133½	132½	133½
Tuesday.....	4 140½	141½	140½	140½	Sunday.....	23			
Wednesday.....	5 140½	140½	138½	139	Monday.....	24 133½	133½	133½	133
Thursday.....	6 139½	139½	138½	138½	Tuesday.....	25 (Christmas Day) ½			
Friday.....	7 138½	138½	138½	138½	Wednesday.....	26 138½	133½	131½	131
Saturday.....	8 138½	138½	137½	137½	Thursday.....	27 131½	132½	131½	132½
Sunday.....	9				Friday.....	28 132½	133½	132½	133½
Monday.....	10 137½	137½	137	137	Saturday.....	29 133	134½	133½	134½
Tuesday.....	11 136½	137½	136½	137½	Sunday.....	30			
Wednesday.....	12 138½	138½	137½	137½	Monday.....	31 134	134	133½	133½
Thursday.....	13 137½	137½	137½	137½					
Friday.....	14 138	138	137½	137½	Dec. 1866.....	141½	141½	131½	133½
Saturday.....	15 137½	137½	137½	137½	" 1865.....	143	143½	144½	145
Sunday.....	16				" 1864.....	228½	243½	212½	226
Monday.....	17 137½	138½	137½	138½	" 1863.....	148½	152½	148½	151½
Tuesday.....	18 138½	138½	137½	137½	" 1862.....	130½	134	128½	133½
Wednesday.....	19 137½	137½	136½	136½	" 1861.....	100	100	100	100

The decline in gold has materially affected the value of Government securities. The price of Five-twenties on the 1st was 108½, or equal to 76½ gold; and on the 28th 105½, equivalent to 81½ gold; so that although there has been a fall in price of only 3½ during the month, yet the gold value of the bonds has improved 4½. The price of Five-twenties abroad has advanced, in sympathy with

this improvement in the gold value of the bonds, though not to a corresponding extent—the price having opened at 70½, while the highest price reached was 72½, a rise of 2½ per cent. This improvement in the value of bonds abroad is a gratifying evidence of the growing favor with which our securities are regarded by foreign investors. The following comparison shows the price of United States securities on each day of the month :

PRICES OF GOVERNMENT SECURITIES, DECEMBER, 1866.

Day of month.	6's, 1881.—		6's, 5-20 yrs.—		5's, 10-40 yrs.—		7-30's.
	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	
Saturday 1.....	18	.....	108½	.....	.....	99½	.....
Sunday 2.....	.....	.....	.....	.....	.....	.....	.....
Monday 3.....	18	.....	108½	107	100	.....	105½
Tuesday 4.....	.....	109	.....	.....	100½	.....	105½
Wednesday 5.....	118½	108½	108½	.....	100½	.....	.....
Thursday 6.....	118	108½	107½	106½	.....	.....	.....
Friday 7.....	118	.....	.....	.....	.....	.....	105½
Saturday 8.....	.....	.....	108½	.....	100½	.....	.....
Sunday 9.....	.....	.....	.....	.....	.....	.....	.....
Monday 10.....	11½	.....	107½	.....	100	.....	105½
Tuesday 11.....	112½	.....	107½	.....	99½	.....	105½
Wednesday 12.....	112½	108½	.....	.....	.....	.....	105½
Thursday 13.....	119	.....	107½	.....	99½	99½	105½
Friday 14.....	.....	.....	107½	.....	99½	.....	105
Saturday 15.....	.....	.....	107½	106	99½	.....	105
Sunday 16.....	.....	.....	.....	.....	.....	.....	.....
Monday 17.....	119	.....	107½	.....	.....	.....	105½
Tuesday 18.....	112½	108½	107½	.....	100	.....	.....
Wednesday 19.....	112½	.....	.....	108½	100	.....	105½
Thursday 20.....	.....	.....	107½	108½	.....	99½	105½
Friday 21.....	111½	.....	106½	.....	.....	.....	105
Saturday 22.....	.....	.....	106½	.....	99½	.....	104½
Sunday 23.....	.....	.....	.....	.....	.....	.....	.....
Monday 24.....	110½	.....	.....	.....	99½	.....	.....
Tuesday 25.....	.....	.....	(Christmas Day.)		.....	.....	.....
Wednesday 26.....	110½	.....	105½	.....	99½	99	104½
Thursday 27.....	110	.....	105	.....	99	99	104½
Friday 28.....	110½	105½	105½	.....	.....	99½	104
Saturday 29.....	110½	.....	.....	.....	.....	.....	.....
Sunday 30.....	.....	.....	.....	.....	.....	.....	.....
Monday 31.....	.....	.....	106½	.....	99½	.....	105½
First.....	118	109	108½	107	100	99½	105½
Highest.....	118	109	108½	107	100½	99½	105½
Lowest.....	110	105½	105	106½	99	99	104
Latest.....	110½	105½	106½	106½	99½	99½	105½

Illinois Central and Erie stocks have advanced at London to an extent about equivalent to the decline in gold; the former opening at 77 and closing at 80½, and the latter opening at 45½, advancing to 48½, and closing at 46½. The following are the quotations for American securities at London, and for consols :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—DECEMBER, 1866.

Date.	Cons for mon.	Am. U. S. 5-20s	securities Ill.C. sh's.	Erie sh's.	Date.	Cons for mon.	Am. U. S. 5-20s	securities Ill.C. sh's.	Erie sh's.		
Saturday.....	1	89½	70½	77	45½	Tuesday.....	18	89½	71½	78	47½
Sunday.....	2					Wednesday.....	19	89½	71½	77½	48
Monday.....	3	88½	70½	76½	45½	Thursday.....	20	89½	71½	78½	49
Tuesday.....	4	88½	70½	77½	46½	Friday.....	21	90	72½	78½	48½
Wednesday.....	5	88½	70½	77½	46½	Saturday.....	22	89½	72½	79	46½
Thursday.....	6	88½	71	77½	47	Sunday.....	23				
Friday.....	7	88½	71	77½	46½	Monday.....	24		(Holi day.)		
Saturday.....	8	88½	71	77½	46½	Tuesday.....	25	Chri stmas	s Da y.)		
Sunday.....	9					Wednesday.....	26	90	72½	78½	46½
Monday.....	10	88½	71	77½	47	Thursday.....	27	90	72½	78½	46
Tuesday.....	11	88½	71	77½	47½	Friday.....	28	90½	72½	79½	45
Wednesday.....	12	88½	71	77½	47½	Saturday.....	29	90	72½	79½	45
Thursday.....	13	88½	71½	77½	47½	Sunday.....	30				
Friday.....	14	88½	71½	77½	47½	Monday.....	31	89½	72½	80½	46½
Saturday.....	15	88½	71½	77½	47½	Highest.....		90½	72½	80½	49
Sunday.....	16					Lowest.....		88½	70½	76½	45
Monday.....	17	89	71½	77½	47½						

The following are the closing quotations of the leading stocks on Friday of the last seven weeks :

	Nov. 23.	Nov. 30.	Dec. 7.	Dec. 14.	Dec. 21.	Dec. 28.	Jan. 4.
Cumberland Coal.....	66	66	65½	65½	65½	61	45
Quicksilver.....	46	44½	48½	45½	44	44½	45
Anten Co.....	45½	46	46	46	46	46½	49
Mariposa pref.....	24½	27	31½	31½	30½	31½	32
New York Central.....	109½	113	110½	110½	110½	110½	110½
Erie.....	72½	71½	71½	71½	69	66½	67½
Hudson River.....	122	122	122½	119½	119½	123½	122
Reading.....	112½	111½	110½	106½ x.d.	108½	105½	104½
Michigan Southern.....	84½	81½	79½	81½	80½	82½	82½
Michigan Central.....	111	112½	110½	119 x.d.	107½	108	107½
Cleveland and Pittsburg.....	83½	85	84½	90½	85½	87½	88½
Cleveland and Toledo.....	119	118½	119½	119½	124½	124½	124½
Northwestern.....	41½	45	51½	54½	47	44½	45½
" preferred..	70½	73	70½	76½	78½	80	82
Rock Island.....	102½	104½	103½	103½	102½	103½	103½
Fort Wayne.....	103	106½	108	104½	104½	107½	104½
Illinois Central.....	119	119	128½	117½	116½	118½	121

The quotations for Three-years Compound Interest Notes on each Thursday of the month have been as follows :

Issue of—	Dec. 6.	Dec. 18.	Dec. 20.	Dec. 27.
June, 1884.....	116½@116½	116½@116½	116½@116½	116 @116½
July, 1884.....	116½@116½	116½@116	116½@116	116½@116½
Aug., 1884.....	115½@115½	115½@115½	115½@115½	115 @115½
Oct., 1884.....	114½@114½	114½@114½	114½@114½	114 @114½
Dec., 1884.....	113½@113½	113½@113½	113½@113½	113 @113½
May, 1885.....	111½@111½	111½@112	111½@111½	111½@111½
Aug., 1885.....	110½@110½	110½@111	110½@110½	110 @110½
Sept., 1885.....	110½@110½	110 @110½	110 @110½	109½@109½
Oct., 1885.....	109½@109½	109½@110½	109½@110	109½@109½

The course of foreign exchange has been unusually steady, prime bankers' sterling have ranged at 109@109½ The remittances of importers have been quite important; but the increased exports of cotton have sufficiently supplied the market without recourse being had to exports of specie, although some moderate shipments of gold have been made. The following comparison shows the rates for foreign bills on each day of the past month :

COURSE OF FOREIGN EXCHANGE FOR DECEMBER AND YEAR 1886.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	109½@109½	518½@518½	41 @41½	78½@79½	36½@36½	72 @72½
2.....	109½@109½	517½@518½	41 @41½	79 @79½	36½@36½	72 @72½
3.....	109½@109½	515 @513½	41½@41½	79 @79½	36½@36½	72½@72½
4.....	109½@109½	517½@518½	41½@41½	79 @79½	36½@36½	72 @72½
5.....	109½@109½	515 @513½	41½@41½	79 @79½	36½@36½	72½@72½
6.....	109½@109½	517½@518½	41½@41½	79 @79½	36½@36½	72½@72½
7.....	109 @109½	517½@515	41½@41½	79 @79½	36½@36½	72½@72½
8.....	109 @109½	518½@518½	41 @41½	78½@79½	36½@36½	72 @72½
9.....	109½@109½	518½@518½	41 @41½	78½@79½	36½@36½	72 @72½
10.....	109½@109½	515 @512½	41½@41½	79 @79½	36½@36½	72½@72½
11.....	109½@109½	515 @512½	41½@41½	79 @79½	36½@36½	72½@72½
12.....	109½@109½	515 @512½	41½@41½	79 @79½	36½@36½	72½@72½
13.....	109½@109½	515 @512½	41½@41½	79 @79½	36½@36½	72½@72½
14.....	109½@109½	517½@513½	41½@41½	79 @79½	36½@36½	72½@72½
15.....	109½@109½	517½@513½	41 @41½	78½@79½	36½@36½	72 @72½
16.....	109½@109½	517½@513½	41 @41½	78½@79½	36½@36½	72 @72½
17.....	109½@109½	518½@517½	41 @41½	78½@79½	36½@36½	72 @72½
18.....	109½@109½	516½@515	41½@41½	78½@79½	36½@36½	72 @72½
19.....	109½@109½	516½@515	41½@41½	79½@79½	36½@36½	72½@72½
20.....	109½@109½	516½@515	41½@41½	79½@79½	36½@36½	72½@72½
21.....	108½@109	517½@516½	41½@41½	78½@79	36½@36½	72½@72½
22.....	108½@109½	516½@515	41½@41½	78½@79	36½@36½	72 @72½
23.....	108½@109½	516½@515	41½@41½	78½@79	36½@36½	72 @72½
24.....	108½@109½	516½@515	41½@41½	78½@79	36½@36½	72 @72½
25.....	109 @109½	516½@515	41½@41½	78½@79	36½@36½	72 @72½
26.....	109 @109½	516½@515	41½@41½	78½@79	36½@36½	72 @72½
27.....	109 @109½	517½@518½	41½@41½	78½@79	36½@36½	72 @72½
28.....	109 @109½	517½@518½	41½@41½	78½@79	36½@36½	72 @72½

29.....	109	@109%	517%	@513%	41%	@41%	78%	@78%	86%	@86%	71%	@72%	
30.....													
31.....	109	@109%	516%	@513%	41%	@41%	78%	@79	86%	@86%	72	@72%	
Dec.....		108%	@109%	518%	@512%	41	@41%	78%	@79%	86%	@86%	71%	@72%
Nov.....		108%	@109%	525%	@511%	40%	@41%	78%	@79%	86	@87	71%	@73
Oct.....		106%	@109%	535	@518%	39%	@41%	76%	@79%	85	@87	70	@78%
Sep.....		106%	@108%	545	@518%	39	@41%	75%	@78%	85	@86%	68	@72
Aug.....		106%	@108%	545	@517%	39	@41	75	@79	84%	@87	68	@78
July.....		107%	@109%	525	@507%	40	@42	77	@79	86	@87%	72	@75%
June.....		107%	@110	505	@507%	40	@42%	77	@80%	85%	@87%	73	@76
May.....		108%	@109%	520	@510	40%	@42%	78%	@80	86	@87%	74	@74
Apr.....		106%	@108%	537%	@517%	39%	@41	76%	@78%	85	@86%	69%	@71%
Mar.....		106%	@108%	530	@518	40	@41	77	@78%	85%	@86%	70%	@71%
Feb.....		107%	@108%	532%	@517%	40%	@41	77	@79	85%	@86%	70%	@71%
Jan.....		108	@109%	528%	@515	40%	@41	78	@79%	86	@86%	71	@71%
Year.....		105%	@110	545	@507%	39	@41%	75	@80%	84%	@87%	68	@75%

The transactions in coin and coin notes at the Sub-Treasury, and the receipts and payments at the Assay-office New York for the year 1866, monthly, and the amount of coin in banks at the end of each month, are shown in the following statement:

INTERNAL MOVEMENT OF TREASURE AT NEW YORK.

	Coin notes issued.	Receipts from customs.	Coin paid for interest	Assay-office. Rece'd coin & bullion.	Paid coin nearest end of month.
Jan.	\$12,414,629	\$12,469,865	\$5,739,686	\$864,611	\$784,206
Feb.	13,968,040	12,018,669	490,091	876,647	1,923,879
Mar.	6,542,180	11,153,964	2,658,321	1,698,885	1,289,172
April	17,620,500	11,093,212	187,231	1,526,340	2,156,273
May	20,124,140	11,456,769	13,055,535	1,289,199	881,356
June	11,737,340	9,707,930	826,153	491,565	640,231
July	12,981,120	11,617,980	5,873,373	641,811	517,576
Aug.	8,338,750	12,700,094	386,766	1,488,046	2,294,869
Sept.	10,606,420	12,474,077	2,690,532	4,241,881	2,704,005
Oct.	10,968,880	11,507,693	218,121	1,925,145	2,464,971
Nov.	15,611,040	8,087,584	14,786,272	1,844,391	1,841,050
Dec.	12,477,506	5,934,075	1,722,407	2,180,541	972,727
Year	153,810,466	180,221,697	48,533,493	18,424,513	16,710,815
					18,185,222

The following is a statement of the amount of treasure received at New York from California and foreign ports for each month, and for the year 1866, and also of the export to foreign ports, with the excess of supply or export for the months respectively. It will be seen that we have exported for the year only \$4,452,478 more than we have received from the above mentioned sources, showing not anticipated when the drain to Europe in May and June is taken into consideration. In this reckoning the treasure brought overland, which has become considerable, is not taken into the account. The statement also compares the aggregates of the last eight years:

EXTERNAL MOVEMENT OF TREASURE AT NEW YORK.

Months, &c.	California.	Foreign.	New Supply. Total.	Exports to for. ports.	Excess of Supply. Export.
January	\$1,485,314	\$72,771	\$1,558,087	\$2,706,396	\$1,148,249
February	3,603,000	172,123	3,775,123	1,807,030	1,968,092
March	3,958,291	285,854	4,244,145	1,045,039	3,199,101
April	1,539,821	161,817	1,701,138	588,875	1,112,263
May	3,992,143	393,073	4,385,221	23,744,194	19,358,971
June	1,842,271	94,549	1,936,820	15,890,956	13,954,136
July	6,754,669	345,961	7,100,630	5,821,459	1,278,171
August	4,477,659	29,221	4,746,880	1,681,861	3,159,029
September	2,884,432	5,193,473	8,077,905	831,550	7,243,355
October	4,902,307	1,434,158	6,336,365	1,463,450	4,872,915
November	1,669,391	8,293,937	2,472,328	3,766,190	1,294,362
December	4,323,023	353,093	4,675,116	8,297,270	1,377,846
Jan-Dec '05	\$1,411,736	\$9,578,029	\$50,949,755	\$62,553,700	\$11,563,945
do do '05	21,531,798	2,137,011	23,668,767	30,033,633	6,334,866
do do '04	12,907,893	2,265,522	15,173,325	60,803,123	35,629,797
do do '03	12,207,320	1,528,279	13,735,599	49,754,056	36,018,457
do do '02	25,079,787	1,390,277	26,470,064	69,437,021	32,966,957
do do '01	34,485,949	87,048,413	72,573,363	4,286,250	67,337,113
do do '00	84,581,271	8,852,320	43,432,601	42,191,171	1,241,430
do do '09	39,592,730	2,816,421	42,409,141	69,715,368	27,306,726

The Treasury Movement at New York weekly, and the amount in Banks at the close of each week since January 1, has been as follows:

TREASURY MOVEMENT FOR 1866.

1866. week ending	Receipts from California.	Exports. to foreign countries.	Customs receipts.	Sub-Treasury Interest payments.	Gold issued.	Certificates returned.	In banks at close of week.
Jan. 6		\$552,027	\$2,107,341	\$3,597,340	\$3,122,440	\$1,34,8832	\$15,773,741
" 13	\$685,610	640,503	2,334,694	1,130,789	3,206,180	1,578,194	16,852,568
" 20	799,706	686,894	2,754,369	574,163	2,706,409	1,928,641	15,265,320
" 27		656,812	2,936,040	279,843	2,598,400	2,137,048	13,106,750
Feb. 3	944,878	292,568	3,347,422	115,204	2,061,280	2,221,423	10,937,474
" 10	1,449,074	418,400	3,251,784	130,179	1,916,700	2,376,735	10,129,406
" 17		445,489	2,893,008	94,828	2,992,900	2,168,009	10,308,543
" 24	1,209,048	560,190	2,608,795	119,879	5,893,280	1,995,706	14,213,351
Mar. 3		75,453	3,886,934	1,188,343	2,125,000	2,664,934	17,151,130
" 10	1,469,286	558,224	2,297,636	882,712	2,101,000	1,706,835	16,568,237
" 17	1,425,353	286,671	2,464,482	328,593	1,498,400	1,919,488	15,015,242
" 24	389,837	170,297	2,509,419	174,911	361,280	1,886,419	13,945,651
" 31	673,615	8,500	2,451,345	225,414	1,376,000	1,895,334	11,880,772
Apr. 7		216,642	2,643,010	63,140	3,016,840	2,120,100	11,436,295
" 14	729,892	122,628	2,857,704	49,800	5,038,460	2,274,704	11,026,130
" 21	809,459	117,812	2,535,568	35,169	4,207,000	1,971,568	9,495,401
" 28		78,580	2,246,207	40,506	4,137,140	1,760,307	8,243,937
May 5	1,818,271	1,247,249	2,711,181	7,061,900	4,653,000	2,227,181	10,914,997
" 12	1,072,890	1,064,496	2,417,391	2,648,000	3,110,000	1,948,391	13,970,402
" 19		8,763,295	2,542,814	1,702,000	2,842,000	2,069,814	13,595,465
" 26	1,276,505	9,421,766	2,858,455	940,100	9,177,000	1,929,454	19,376,929
June 2	324,562	6,870,997	2,182,395	70,500	1,327,000	1,911,395	28,568,092
" 9	949,906	4,220,756	2,141,086	263,800	2,636,000	1,863,087	15,821,662
" 16		6,055,743	2,071,621	67,000	3,719,000	1,788,621	11,217,305
" 23	892,365	1,408,288	2,209,676	106,134	2,703,000	1,809,676	8,564,094
" 30		550,574	2,002,265	298,748	3,232,000	2,309,264	7,797,218
July 7	1,617,899	1,630,730	2,471,826	3,964,634	4,174,000	2,081,636	9,965,266
" 14	1,429,833	2,239,270	2,486,296	1,267,600	3,614,400	2,182,226	12,451,684
" 21	2,031,556	416,018	2,480,149	324,100	2,652,000	2,187,149	10,860,140
" 28		1,515,446	2,926,684	277,044	2,120,000	2,54,884	9,70,547
Aug. 4	1,555,451	530,174	2,794,654	175,500	1,890,000	2,400,659	9,448,900
" 11		152,375	2,676,232	61,400	970,000	2,328,331	8,424,290
" 18		117,990	2,461,877	50,300	2,064,000	2,145,876	7,545,518
" 25	3,091,601	787,312	3,069,893	60,987	2,188,000	2,545,693	6,884,775
Sep. 1		303,912	3,199,168	241,000	2,265,000	2,853,168	6,351,607
" 8		157,092	3,222,266	1,985,108	1,006,000	2,766,265	7,455,910
" 15	1,669,359	197,231	3,105,457	262,000	1,494,000	2,807,457	7,327,360
" 22	1,215,073	112,500	2,399,200	95,400	3,973,000	2,148,270	7,062,619
" 29		38,240	2,676,777	281,706	1,701,000	2,50,717	7,043,961
Oct. 6	1,109,537	224,385	2,206,734	270,000	2,382,000	1,024,334	6,203,690
" 13	1,135,093	198,020	2,516,361	198,050	2,369,000	1,175,361	5,576,008
" 20	1,423,705	66,202	2,629,828	66,202	1,692,000	2,761,829	7,371,482
" 27		523,198	2,460,886	458,198	2,977,140	2,223,886	7,848,237
Nov. 3	1,223,869	947,441	2,262,774	8,235,000	7,243,000	2,084,774	9,180,629
" 10	653,776	1,037,850	2,035,292	8,712,000	4,170,000	1,851,292	13,145,303
" 17		526,385	1,964,529	1,643,000	2,094,000	1,721,530	15,511,121
" 24	1,113,015	781,865	1,621,704	1,080,301	2,280,000	1,450,705	15,262,851
Dec 1		636,571	1,173,246	17,000	1,685,000	1,042,546	14,057,007
" 8	1,27,885	560,596	1,419,236	555,600	1,900,000	1,487,206	14,582,050
" 15	1,18,316	1,483,063	1,471,200	893,000	1,10,000	1,323,200	13,291,500
" 22	1,09,363	239,978	1,067,950	301,000	2,209,000	940,950	13,231,917
" 29	617,459	1,098,173	1,832,920	.....	.....	.....	13,182,202

JOURNAL OF BANKING, CURRENCY, AND FINANCE

National Banks and Congress.—Returns of the New York, Philadelphia, and Boston Banks—National Banks.

The opinion has been actively discussed for some time past, and is evidently gaining ground in the country and in Congress, that the National Bank currency could be assumed by the Government without a danger to any business interests of importance, and with manifest relief to the burdens of the people. It is argued that the banks gain at present the whole of the profits arising from the

issue of the currency, while the country at large suffers the loss which its issue has caused in the depreciation of the currency and the consequent disturbance of values. The interest on the 330 millions of bonds deposited by the banks as security for 300 millions of circulation is estimated at 18 millions of dollars in gold. This sum, under the proposed plan would be saved to the Treasury, while the notes would be cancelled and their places supplied by greenbacks. This scheme has been attracting the more attention in consequence of the opposition raised by the banks against the redemption of their notes in the metropolitan centres. We publish below a copy of a bill for this purpose, which was introduced into the House of Representatives by Mr. S. I. Randall on the 7th January, and referred to the Committee on Banking and Commerce:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is hereby authorized to issue, on the credit of the United States, such sums as may be necessary for the purposes set forth in this act, not exceeding in the aggregate amount three hundred millions of dollars, of treasury notes, not bearing interest, of such denominations as he may deem expedient, not less than five dollars each, which said notes shall be lawful money and a legal tender for debts in like manner as provided in the first section of an act entitled "An act to authorize the issue of United States notes, and for the redemption or funding thereof, and for funding the floating debt of the United States," passed February twenty-five, eighteen hundred and sixty-two. And the provisions of the sixth and seventh sections of said act are hereby re-enacted and applied to the notes herein authorized.

Sec. 2. And be it further enacted, That the amount of said notes issued in any one fiscal year shall not exceed one hundred millions of dollars, and the same shall be used only in exchange for notes issued by the national banks under the authority of the United States, in conformity with the laws regulating the same, and for the purchase of such portions of the national indebtedness as may be necessary to carry out the true intent of this act.

Sec. 3. And be it further enacted, That the said national bank notes so received in exchange for the treasury notes authorized by this act, shall be by the Secretary of the Treasury forthwith cancelled in like manner as though they had been returned for cancellation by the banks respectively issuing them, and the certificates of national indebtedness, and bonds on deposit for the security of said notes, shall be transferred to the commissioners of the sinking fund, which is herein established, at market prices, to the amount and extent that the several banks whose notes have been thus returned would be entitled to receive the securities therefor.

Sec. 4. And be it further enacted, That the Secretary of the Treasury, the Attorney-General, the Secretary of the Interior, the Treasurer of the United States, and the Comptroller of the Currency, shall be the commissioners of the sinking fund, who, or a majority of whom, shall receive the evidences of debt and bonds purchased in accordance with the provisions of this act, and forthwith stamp upon each, so as to make it unfit for further use, "Belonging to the sinking fund of the United States," and shall cancel the signatures thereon. They shall hold said evidences of debt and bonds until their respective maturities, and until then all accruing interest shall be paid and is hereby appropriated to the said commissioners, who shall purchase other evidences of debt and bonds, to be used and held as herein provided for, and so from time to time as money may be received from such sources.

Sec. 5. And be it further enacted, That immediately after the close of each fiscal year the Secretary of the Treasury shall publish an account of the condition of the said sinking fund in at least one newspaper published in the cities of Washington, Baltimore, Philadelphia, Boston, and New York, and he shall, at the first meeting of Congress thereafter, report the same to each branch thereof.

Sec. 6. And be it further enacted, That so much of any law or laws, as are inconsistent herewith shall be, and the same are hereby repealed.

As our appreciation is well known of the important part the national banks play in the financial affairs of the country, we need scarcely say that we disapprove

of the plan set forth in the foregoing bill, and think it likely, if adopted, to cause serious commotion in monetary and industrial affairs. For the present, and until the nation shall have recovered from its financial troubles, the more of steadiness and stability we can confer on our banking system the better. Until we have funded our vast floating debt, thoroughly absorbed the disbanded soldiers into the disciplined army of peaceful workers, and restore the equilibrium of our tottering, overstrained financial machinery, it would certainly not be wise to run the risk of causing further disturbance by closing any of the banks. We have never objected to making these institutions pay their fair share of taxation; but in the present financial situation we do strongly object to so sweeping, dangerous and revolutionary a change as that contemplated by Mr. Randall and his friends. Waiving all considerations of the overwhelming objections of a political and financial character which oppose the plan of increasing the volume of the Government legal tender notes, Congress has a sufficient argument for rejecting the scheme in the fact that it would unsettle and weaken that financial stability which every motive of patriotic and enlightened statesmanship combines to lead them to strengthen and support.

Below we give the returns of the Banks of the three cities for the past year :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
Jan. 6, 1866...	\$233,185,069	\$15,778,741	\$18,588,428	\$196,482,254	\$71,617,487	\$370,617,023
" 13	234,938,198	16,852,568	19,162,017	197,766,999	73,019,957	368,082,837
" 20	239,337,736	15,265,327	20,475,707	198,816,248	72,796,892	538,949,311
" 27	240,407,836	13,106,759	20,965,883	195,012,454	70,319,146	516,323,672
Feb. 3	242,510,333	10,937,474	21,494,234	191,011,695	68,796,260	508,569,123
" 10	243,068,873	10,129,806	22,240,469	188,701,463	68,438,013	493,431,032
" 17	243,068,252	10,308,758	22,983,274	189,777,290	68,002,980	471,886,751
" 24	239,776,300	14,213,351	22,959,918	183,241,404	61,602,726	497,150,087
Mar. 3	235,329,412	17,181,180	22,994,086	181,444,378	58,760,145	526,539,909
" 10	238,068,274	16,563,237	23,033,237	180,515,881	64,341,809	594,204,912
" 17	238,517,376	15,015,242	23,303,057	185,488,707	63,402,704	579,216,509
" 24	234,500,518	13,945,651	23,243,406	185,868,245	69,496,033	535,448,864
" 31	237,316,099	11,930,392	23,736,534	188,554,592	72,158,099	529,240,640
Apr. 7	242,643,753	11,486,295	24,127,061	189,094,961	71,445,075	602,315,748
" 14	244,006,690	11,085,120	24,533,081	193,153,469	73,910,870	578,637,853
" 21	242,067,063	9,495,463	24,045,537	196,803,678	77,692,688	535,834,773
" 28	245,017,692	8,243,037	25,877,230	202,718,574	80,589,022	545,339,663
May 5	243,974,134	10,914,937	25,415,677	210,373,303	81,204,447	603,556,177
" 12	257,621,317	13,970,409	24,693,259	217,552,853	85,040,659	523,093,583
" 19	255,690,463	13,585,465	25,159,864	217,427,729	85,710,107	579,342,488
" 26	257,959,598	19,736,029	26,223,567	208,977,005	73,829,947	713,575,444
June 2	250,958,022	21,353,093	26,244,255	198,127,289	69,188,592	713,575,444
" 9	249,533,950	15,821,663	25,967,253	202,503,049	74,623,674	633,656,881
" 16	247,301,547	11,217,395	25,887,876	202,415,673	79,179,304	613,098,301
" 23	245,436,806	6,504,096	26,585,394	201,069,288	80,540,578	696,447,630
" 30	250,581,168	7,797,219	26,706,622	204,357,273	81,832,640	568,842,499
July 7	257,534,833	9,965,266	27,296,830	205,799,611	79,541,638	511,182,914
" 14	259,133,454	12,451,684	27,704,172	207,160,043	75,541,977	637,655,787
" 21	255,965,018	10,860,147	27,573,020	213,049,079	80,524,992	598,705,726
" 28	256,612,071	9,701,046	27,349,512	214,582,026	84,705,814	490,394,908
Aug. 4	256,808,717	9,448,900	27,311,548	214,156,705	86,235,079	523,226,814
" 11	253,293,063	8,424,209	27,323,522	214,232,263	86,861,834	494,310,975
" 18	261,951,924	7,545,513	27,796,904	214,310,576	84,901,071	534,635,246
" 25	265,901,065	6,884,077	27,533,464	218,119,450	86,283,483	617,750,250
Sept. 1	263,399,697	6,391,600	27,807,834	225,191,289	92,22,808	586,64,052
" 8	260,941,693	7,435,810	28,506,283	225,107,991	91,194,254	591,0,135
" 15	270,804,04	7,357,399	29,300,371	224,414,647	92,773,232	567,299,212
" 22	272,177,166	7,062,611	28,770,351	224,394,663	90,425,180	605,290,424
" 29	269,807,368	7,643,960	29,219,950	223,838,735	87,536,21	
Oct. 6	274,210,161	6,203,699	29,702,358	225,484,780	85,239,169	829,031,759
" 13	276,443,219	5,676,092	30,176,000	226,358,897	89,179,432	770,359,909
" 20	279,133,796	7,371,487	30,415,240	225,083,853	78,623,469	824,721,933
" 27	274,725,456	7,841,239	30,243,437	225,540,873	86,064,029	762,201,041
Nov. 3	271,700,435	9,184,623	30,466,207	224,811,685	74,990,42	761,334,435
" 10	275,938,288	13,145,881	30,968,940	229,325,17	71,512,405	776,604,339
" 17	273,318,391	15,511,121	31,233,592	231,832,503	63,130,361	842,575,249
" 24	267,920,415	15,302,861	31,361,418	213,414,964	64,350,254	917,436,876

Dec. 1.....	263,011,668	14,967,007	31,293,849	207,890,177	61,465,458	649,081,442
" 8.....	260,630,077	14,589,050	31,794,653	203,676,829	60,946,837	647,315,726
" 15.....	258,452,330	13,991,300	31,707,665	206,458,971	63,994,900	556,150,893
" 22.....	258,265,514	13,231,917	32,433,429	203,020,877	64,816,962	557,150,539
" 29.....	259,354,761	13,185,222	32,664,526	200,811,290	63,000,687	515,917,929

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
Jan. 2, 1866.....	\$17,181,229	\$43,941,001	\$890,822	\$7,226,369	\$35,342,306
" 8.....	17,236,320	46,774,150	933,685	7,319,528	36,618,004
" 15.....	17,267,412	47,350,428	1,007,186	7,367,972	36,947,700
" 22.....	17,082,569	47,254,622	1,012,980	7,411,387	36,214,653
" 29.....	16,244,277	47,607,558	1,003,825	7,432,534	35,460,881
Feb. 5.....	16,481,005	47,233,661	1,000,689	7,668,365	34,631,125
" 10.....	16,563,737	47,249,388	996,312	7,319,599	34,464,070
" 17.....	16,777,175	46,981,837	953,207	7,343,002	33,926,542
" 24.....	17,262,602	46,865,529	1,026,408	7,732,070	33,062,252
Mar. 3.....	17,447,635	46,604,752	1,041,392	8,121,049	32,836,094
" 10.....	17,292,534	46,546,878	1,055,694	8,248,100	32,504,508
" 17.....	16,375,608	46,690,788	1,026,068	8,438,184	32,102,427
" 24.....	15,969,814	46,642,150	981,932	8,580,200	32,144,250
" 31.....	15,954,832	46,043,488	990,620	8,666,230	32,257,653
April 7.....	16,622,233	46,028,641	916,232	8,720,270	32,762,280
" 14.....	18,323,759	45,114,699	949,116	8,743,396	34,640,564
" 21.....	18,660,513	45,762,733	936,876	8,761,213	35,448,955
" 28.....	18,949,719	46,832,734	890,241	8,779,166	36,032,862
May 5.....	19,144,660	48,006,654	912,023	8,794,348	36,987,007
" 12.....	19,646,263	48,236,256	896,741	8,930,420	35,414,588
" 19.....	19,648,232	48,396,567	897,913	8,918,938	37,296,645
" 26.....	19,715,093	48,036,984	867,094	8,983,742	37,078,418
June 2.....	21,154,909	47,564,996	890,121	9,022,553	38,189,566
" 9.....	21,568,065	48,118,897	859,633	9,007,515	38,326,084
" 16.....	20,568,591	48,616,145	897,381	9,219,553	38,972,476
" 23.....	21,105,816	48,166,814	893,999	9,290,094	36,715,308
" 30.....	21,455,896	48,266,904	863,454	9,325,475	37,242,979
July 7.....	20,546,695	48,892,594	866,981	9,481,064	38,275,788
" 14.....	21,311,668	49,493,405	852,783	9,442,146	37,707,567
" 21.....	21,312,006	49,009,316	849,770	9,427,361	37,575,560
" 28.....	20,992,374	48,935,087	826,096	9,382,473	37,270,034
Aug. 4.....	20,393,826	49,682,529	825,978	9,516,724	37,244,036
" 11.....	20,060,536	49,164,321	835,158	9,543,472	36,639,226
" 18.....	19,863,685	48,590,454	811,230	9,666,783	36,942,311
" 25.....	20,417,323	48,591,763	807,071	9,575,534	36,025,288
Sept. 1.....	24,040,254	50,095,890	806,815	9,589,574	41,162,627
" 8.....	24,184,918	50,320,068	826,345	9,608,410	41,604,903
" 15.....	24,578,358	49,889,015	802,922	9,605,817	41,033,120
" 22.....	24,906,925	50,787,371	793,395	9,601,273	42,826,971
" 29.....	24,073,068	51,377,567	783,024	9,598,497	43,693,575
Oct. 6.....	24,114,480	51,242,282	769,272	9,631,863	43,800,423
" 13.....	23,377,073	51,816,490	770,676	9,639,176	43,152,028
" 20.....	23,637,130	51,474,948	791,118	9,631,498	43,345,800
" 27.....	24,140,637	50,973,784	799,652	9,648,655	43,953,737
Nov. 3.....	24,369,566	50,655,176	824,184	9,659,086	44,885,162
" 10.....	24,671,396	54,159,217	847,458	9,665,040	44,217,308
" 17.....	23,452,466	51,681,866	852,065	9,677,296	45,455,076
" 24.....	21,850,415	51,897,969	893,060	9,851,089	42,622,060
Dec. 1.....	21,057,818	54,549,367	876,751	9,615,989	42,102,289
" 8.....	20,488,385	51,250,352	851,915	10,021,527	41,452,539
" 15.....	20,115,704	51,256,937	854,989	10,161,601	40,728,902
" 22.....	19,677,741	51,536,821	869,111	10,257,544	40,411,178
" 29.....	19,777,011	51,759,765	867,647	10,325,154	39,706,052

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 1.....	\$91,421,477	\$801,415	\$9,807,900	\$38,451,794	\$21,497,354	\$1,404,721
" 8.....	92,245,129	1,031,327	19,914,065	41,718,132	21,806,180	1,322,703
" 15.....	92,959,364	1,029,105	20,438,014	40,939,870	21,946,595	1,273,918
" 22.....	92,665,111	1,040,114	20,750,698	40,300,609	22,034,612	1,215,675
" 29.....	92,877,783	1,008,018	20,544,890	39,153,816	21,849,318	1,157,814
February 5.....	94,578,358	805,237	20,568,185	40,436,163	22,325,428	1,125,728
" 12.....	94,083,827	632,591	20,412,580	38,768,019	22,348,638	1,057,323
" 19.....	95,250,429	508,428	20,418,969	38,494,696	22,602,531	1,033,391
" 26.....	93,539,090	521,292	20,292,177	36,398,481	22,867,971	1,048,022
March 5.....	92,990,512	556,856	20,034,968	35,581,876	22,606,335	1,066,719
" 12.....	90,705,159	623,938	19,905,120	35,297,498	22,730,229	721,809
" 19.....	91,902,811	606,992	20,470,018	36,696,321	24,018,916	910,740
" 26.....	91,931,236	513,153	20,913,521	35,887,368	23,019,887	901,626

April	2	92,351,979	532,556	20,761,014	36,697,237	23,087,698	869,329
"	9	92,142,975	487,455	20,334,570	37,426,500	23,296,542	830,069
"	16	91,250,882	457,648	19,902,647	37,606,696	23,035,043	777,198
"	23	86,120,597	411,698	19,309,145	36,946,123	22,469,488	744,041
"	30	86,723,001	401,113	19,549,614	38,396,210	22,856,556	744,425
May	7	90,369,569	576,170	21,415,716	41,205,276	23,516,330	719,638
"	14	90,323,554	501,013	22,462,522	42,021,976	23,551,579	695,527
"	21	89,634,864	472,172	22,973,509	41,611,149	23,195,968	661,519
"	28	91,833,402	436,391	23,658,956	41,631,746	23,722,277	644,653
June	4	92,287,644	503,991	26,148,678	42,992,749	23,079,055	609,271
"	11	89,878,993	374,966	25,470,926	42,558,966	22,916,559	480,591
"	18*	87,568,533	371,596	24,426,749	41,192,820	21,845,977	544,941
"	25	94,336,170	323,335	25,019,436	42,587,020	23,633,008	507,371
July	16	96,047,000	453,600	21,610,000	40,407,000	24,145,000	413,000
"	23	95,995,895	441,659	22,786,738	40,925,853	24,057,765	401,544
"	30†	95,002,698	363,776	22,242,659	39,700,363	23,804,526	355,864
August	6	96,672,749	318,779	22,432,317	40,549,379	24,116,795	380,989
"	13	95,771,749	295,241	21,101,461	39,192,620	24,104,957	202,734
"	20	94,915,075	333,070	20,817,159	38,619,847	24,200,816	868,161
"	27	91,619,253	322,083	21,638,693	39,028,518	24,262,817	863,405
Sept.	3	95,387,808	264,863	22,071,251	39,556,550	24,240,925	844,773
"	10	94,873,709	314,204	21,580,730	39,149,497	24,295,875	856,076
"	17	94,783,208	323,890	20,303,416	38,357,308	24,345,328	851,401
"	24	93,825,673	316,771	20,977,954	40,014,189	24,344,545	826,465
Oct.	1	93,676,838	277,066	21,037,860	42,095,214	24,238,047	843,408
"	8	94,708,912	250,638	20,612,639	43,093,520	24,329,124	840,977
"	15	95,039,355	240,417	19,801,519	43,330,226	24,319,791	837,556
"	22	93,644,225	219,302	19,000,205	44,303,573	24,459,495	834,172
"	29	95,381,855	250,16	19,654,336	44,194,104	24,443,519	832,433
Nov.	5	95,720,044	236,69	19,839,005	44,117,030	24,511,200	830,255
"	12	99,537,908	443,892	19,140,839	44,954,471	24,402,811	328,319
"	19	99,622,706	486,164	18,035,114	43,548,251	24,416,151	324,485
"	26	99,808,561	569,205	17,908,793	42,647,905	24,633,970	323,076
Dec.	3	99,446,106	601,502	16,640,798	41,039,605	24,593,237	320,864
"	10	99,062,641	583,364	16,688,280	40,958,922	24,650,482	318,409
"	17	99,127,027	597,902	16,561,288	41,043,063	24,671,197	316,242
"	24	98,958,672	582,112	17,038,272	40,971,613	24,654,346	315,140
"	31	99,032,673	589,137	18,090,512	41,901,496	25,066,860	313,562

* No returns from National Bank of Redemption. † No returns from the Traders' Bank.

The course of the National Banks has been as follows :

Date.	B'ks.	Capital.	Circulation.	Date.	B'ks.	Capital.	Circulation.
May 5	1,650	\$	\$271,262,165	Sept. 1	1,659		239,510,820
May 12	1,650		272,878,895	Sept. 8	1,659		291,179,045
May 19	1,650		274,653,195	Sept. 15	1,659		291,851,315
May 26	1,650	414,921,479	276,540,510	Sept. 22	1,659		292,214,720
June 2	1,650		277,379,660	Sept. 29	1,659		293,032,903
June 9	1,650		278,905,675	Oct. 6	1,659		294,072,059
June 16	1,653		280,263,890	Oct. 13	1,659		294,377,304
June 23	1,633		281,234,460	Oct. 20	1,659		294,636,689
June 30	1,633		282,555,440	Oct. 27	1,659		295,354,851
July 7	1,653		283,627,605	Nov. 3	1,659		296,066,104
July 14	1,654		284,506,675	Nov. 10	1,69		297,065,059
July 21	1,655			Nov. 17	1,659		297,199,009
Aug. 4	1,656	\$	\$286,835,545	Nov. 24	1,659		299,586,931
Aug. 11	1,656		287,048,950	Dec. 1	1,649		299,307,569
Aug. 18	1,656		288,403,775	Dec. 8	1,649		298,613,519
Aug. 25	1,658		289,021,085	Dec. 15	1,649		

CONNECTICUT RAILROADS.

We compile from the official returns to the Legislature the following statistics relating to the railroads in this State, and their operations in the fiscal year 1865.

The capital account presents the following in relation to stock, bonds, &c. and the cost of the several works ;

Companies.	Share capital.	Funded debt.	Floating debt.	Miles of road.	Cost of road and equip'm't.
Danbury & Norwalk	\$306,900	\$100,000		23.80	\$412,232
Hartford and New Haven	3,000,000	927,000		71.60	3,498,319
Hartford, Prov. & Fishkill	2,037,940	1,936,740		122.40	4,204,886
Housatonic	2,000,000	202,500	\$150,947	74.00	2,439,775
Naugatuck	1,100,000	295,000	\$34,065	57.00	1,465,629
New Britain & Middlet'n	75,000			2.47	117,470
N. H., N. Lond. & Stong't'n	788,533	766,000		50.00	1,454,040
New Haven & Northamp'n	1,010,000	62,800	9,443	85.00	1,787,565
New London Northern	700,000	132,800	12,925	86.00	861,135
N. York & N. Haven	2,980,839	2,000,000	170,871	62.25	6,315,232
N. York, Prov. & Boston	1,755,281	500,000		62.00	2,568,000
Norwich & Worcester	2,363,600	580,000	9,262	59.40	2,613,694
Rockville	97,750	33,000	45,688	4.80	171,858

The earnings, expenses, &c., of these several companies for the fiscal year sum up as follows :

Companies.	Gross earnings.	Operating expenses.	Nett earnings.	Dividends Am't. Rate.
Danbury & Norwalk.....	\$103,333	\$32,747	\$20,586	\$9,692 3
Hartford & New Haven.....	1,459,711	912,377	317,334	237,438 12
Hartford, Prov. & Fishkill.....	644,725	478,539	166,186	
Housatonic.....	478,095	396,632	81,463	(on prf. stk 8.)
Naugatuck.....	419,469	262,547	156,922	110,000 10
New Britain & Middletown.....		(Included in Hartford & New Haven.)		
N. Haven, N. London & Ston'ton.....	67,143	116,302	(Loss)	
New Haven & Northampton.....	221,657	132,893	88,764	
New London Northern.....	386,764	256,769	49,998	26,352 4
New York & New Haven.....	2,141,896	1,774,934	366,962	253,425 7
New York, Prov. & Boston.....	625,641	456,154	169,487	18,359 12
Norwich & Worcester.....	714,057	445,662	268,395	221,904 9
Rockville.....	28,102	12,408	15,694	2,400 4

There are also two horse railroads in the State, viz : the Fairhaven and Westville, six miles, which cost \$150,000, and the Hartford and Wethersfield, nine miles, built at a cost of \$200,000.

ERIE RAILWAY EARNINGS.

Earnings and cash receipts and payments of the Erie Railway for the year ending September 30 :

	EARNINGS.	
	1866.	1865.
From passengers.....	\$3,593,966 20	\$ 4,450,209 60
From freight.....	11,611,023 01	10,726,264 33
From other sources.....	167,820 35	124,100 92
Total.....	\$15,372,809 56	\$15,300,574 85

The above to be stated without reference to the amount actually collected.

	RECEIPTS.	
From passengers.....	\$ 3,593,966 20	\$ 4,450,209 60
From freight.....	11,611,023 01	10,726,264 33
Other sources—storage.....	2,212 95	5,952 20
Telegraph.....	19,056 11	15,603 66
Rents.....	17,922 99	1,193 02
Mails.....	122,115 47	101,352 04
Pavonia Ferry.....	6,513 83	
Total.....	\$15,372,809 56	\$15,300,574 85

Payments other than for construction :

Transportation expenses.....	\$11,151,540 67	\$10,819,188 97
Hudson River Ferry.....	205,842 88	163,700 37
Operating telegraph.....	116,354 64	117,009 77
Hire of cars.....	29,415 86	69,703 72
Internal revenue taxes.....	550,744 45	427,991 38
Total.....	\$12,063,898 00	\$11,630,786 10
Interest on mortgage debt.....	1,636,382 86	1,279,783 00
Rent of Railway.....	677,345 77	569,495 00
Interest, &c.....	222,079 05	1,846,952 13
Balance of dividends paid to Dec. 31, 1865.....	429,744 89	
Total.....	\$15,049,450 57	\$15,298,836 23
Surplus.....	323,358 99	7,238 62
Total.....	\$15,372,809 56	\$15,300,574 85

DEBT OF ALABAMA.

Below is a copy of the official report to the Legislature of Alabama of Mr. John Whiting, Commissioner and Trustee of the State :

OFFICE OF COMMISSIONER AND TRUSTEE, }
MONTGOMERY, NOV. 12, 1866. }

To the Senate and House of Representatives :

The outstanding indebtedness of the State on bonds originally issued for the capital of the State Bank and branches, was at the time of the surrender as follows, viz. :

Payable at New York in 1863, with 5 per cent. interest, \$1,889,000; interest paid on 1st of May and 1st of November.

Payable at New York in 1865, with 5 per cent. interest, \$52,000; interest paid 1st of May and 1st of November.

Payable in New York in 1872, with 5 per cent. interest, \$168,000; interest paid 1st of May and 1st of November.

Payable in London in 1866, with 5 per cent. interest, \$648,000; interest paid 1st of January, and 1st of July.

Payable in London in 1870, 6 per cent. interest, \$688,000; interest paid 1st of June Total, \$3,445,000.

The annual interest payable in New York amounted to \$105,450. In London, \$73,680

The semi-annual instalments of interest payable in New York were regularly paid up to, and including, the one due the 1st of November, 1861.

The interruption of the war prevented remittances from being made to New York after that date, and notice was given through the public journals that coupons payable in New York would be paid on presentation at the Bank of Mobile.

The annual and semi-annual instalments of interest payable in London were paid as they became due up to, and including the one of 1st of January, 1865. The interest over due on the bonds, payable in New York, as follows, viz. : Instalments due 1st of May, 1862, \$52,725; instalments due 1st of November, 1862, \$52,725; instalments due 1st of May, 1863, \$52,725; instalments due 1st of November, 1863, \$52,725; instalments due 1st of May, 1864, \$52,725; instalments due 1st of November, 1864, \$52,725; instalments due 1st of May, 1865, \$52,725; instalments due 1st of November, 1865, \$52,725; instalments due 1st of May, 1866, \$52,725; instalments due 1st of November, 1866, \$52,425. Total, \$527,250.

Of which sum there was paid, at the Bank of Mobile, \$53,400. Leaving due and unpaid, on the 1st of November, 1866, \$473,850. The interest over due and to mature on the 1st of January, 1866, on the bonds payable in London, is as follows, viz. :

Installments due 1st of January, 1865, \$41,280; instalments due the 1st of July, 1865, \$16,200; instalments due the 1st of January, 1866, \$16,200; instalments due the 1st of June, 1866, \$41,280; instalments due the 1st of July, 1866, \$16,200; instalments due the 1st of January, 1867, \$16,200. Making amount overdue 1st of January, 1867, \$147,860.

At the last session of the Legislature an act was passed entitled "An act to renew and extend the term of payment of certain State bonds therein named," approved 13th January, 1866. This act authorized the extension of the bonds due in New York in 1863, by the substitution of bonds of a similar kind, payable in 1883. In pursuance of this act, new bonds were prepared and notice given through the papers in June last of the readiness of the State to make the exchange, at my office, in the City of Montgomery, and at the banking-house of Duncan, Sherman & Co., New York, who had been appointed by Gov. Patton the Financial Agents for the State of Alabama in the City of New York. The renewal is progressing satisfactorily, and as rapidly as could be expected from the scattered localities of the bondholders. At the same session of the Legislature an act was passed, entitled "An act to provide for the payment of the interest on the bonded debt of the State of Alabama," approved 13th February, 1866. This act authorized the payment or funding of the interest due and to mature 1st January, 1867, on all the bonds payable in New York, as well as those payable in London, with bonds having twenty years to run, and bearing the same rate of interest, and payable at the same places as bonds upon which the interest is to be paid or funded, accrued; and under its provisions bonds were prepared and notice given to holders at the same time and in the same manner as was given to holders for extension. This is also progressing satisfactorily so far as the interest payable in New York is

concerned. The Legislature overlooked the bonds due in London in 1866, and made no provision for their extension. Quite an extensive correspondence has been carried on with the Chairman of the "United States and Corporations Arrears Committee" of London, and with the manager of the Union Bank of London, on the subject of the bonds due there this year and the interest past due. At the first they required that the bonds to be given for the interest overdue and to mature on the 1st of January next should be of short date, or that an accumulative sinking fund should be provided for their redemption.

On the 6th of September last I submitted the distinct proposition to extend the bonds due in this year, with bonds of a similar kind, having twenty years to run, and to pay or fund the back interest—including that due on the 1st of January next, with bonds having twenty years to run. A public meeting of the bondholders was called, through the *London Times*, and I am now informed by the Chairman of the Committee, under date of the 18th of October, that at the next meeting resolutions were adopted accepting the proposition, and appointing the committee, in conjunction with the Union Bank of London, to represent the bondholders in the exchange. To carry it into effect, and thereby complete the extension of the matured bonds and the funding of the overdue interest, it becomes necessary for the Legislature to pass an act, authorizing the extension—which should be done at the earliest possible day, as it requires much time and labor to prepare the bonds. The funding of the over-due interest will add to the interest-bearing bonded debt \$621,210.

The regular payments of interest will begin again on the 1st of May, 1867, on the bonds in New York, and on the 1st of June, 1867, on those payable in London. Especial care should be taken to guard against the possibility of a failure, or the recovered credit of the State will be irreparably injured. It must be borne in mind that the interest in London is payable in sterling money, which is now about 60 per cent. above our national currency. The bond issued to the Bank of Mobile, for \$15,388.13 of gold, was paid in August last, and the note for \$40,000, given for a loan to the State in September, 1865, at twelve months, was paid at maturity. There remain in my office seventy-five of the old Virginia bonds (6 per cent.), of \$1,000 each, worth in the market about 46 per cent.

Respectfully submitted,

J. WHITING,
Commissioner and Trustee.

DEBT OF MICHIGAN.

The funded and fundable debt of Michigan is thus reported by the State Treasurer :

Sault Canal bonds, sixes, due January 1, 1878.....	\$100,000
Renewal loan bonds, sixes, due January 1, 1878.....	216,000
Two million loan bonds, 7's, due January 1, 1868.....	250,000
Two million loan bonds, 6's, due January 1, 1873.....	500,000
Two million loan bonds, 6's, due January 1, 1878.....	500,000
Two million loan bonds, 6's, due January 1, 1898.....	750,000
War loan bonds, 7's, due January 1, 1886.....	1,111,500
War bounty bonds, 7's, due May 1, 1890.....	468,000
Adjusted bonds, past due.....	4,000
Full paid five million loan, past due.....	12,000
War loan bonds, called in January 1, 1866.....	1,100
\$125,000 of unrecognized five million loan bonds, past due, and adjustable at.....	72,321
Total bonded debt.....	\$3,979,921
Deduct debt of January 1, 1861.....	2,888,442
Showing net increase of bonded debt during past six years.....	\$1,591,078

HURON AND ONTARIO SHIP CANAL.

About 300 gentlemen, including delegates from several boards of trade from the States, joined with the directors of the Huron and Ontario Ship Canal Company at Toronto last Wednesday in a grand banquet.

Lieut.-Gov. Bross, of Illinois, was the chief speaker, from whose address we give a few extracts, as follows:

The extension of our railways during the last eleven years, in spite of the financial crash of 1857-8, and four years of desolating war, furnish an important illustration of the progress of the Northwest, and then our people were rejoicing in the fact that our lines had at length reached the Mississippi at Alton, Burlington, Rock Island, Fulton and Dubuque. Then we had only about 2,000 miles of railway in Illinois and running north and west from Chicago. Since then we have added at least 2,710 miles to those then in operation. Now, with steamboat navigation on Green Bay, the Northwestern and Peninsular roads connect Chicago directly with Marquette, on Lake Superior, some 400 miles from Chicago. With only a break of 40 miles between La Crosse and Winona, soon to be completed, our railways connect us directly with St. Cloud, in Minnesota, on the Mississippi, at Sauk Rapids, 640 miles northwest of Chicago. Next week the little gap of 20 miles connecting the air-line of the Northwest road with Council Bluffs will be finished, when Chicago will have a direct railroad to the south fork of the Platte, 795 miles west of the city, and the directors of the Union Pacific Railway promise to have their line 200 miles further west, reaching the Rocky Mountains, at Denver, by the 4th of July next. To the southwest, the Burlington and Quincy, the Hannibal and St. Joseph, and the connecting lines, reach Fort Riley or some point beyond it, some 650 miles from our city. All these great extensions of our railways, I repeat, have been made in spite of war and financial disaster during the last eleven years, and now with peace to bless the land, there can be little doubt that the great Pacific Railway will be completed within the next five years, and there will be such a development of the vast fertile country west of Lake Michigan, in wealth, population and power, as will confound the evil forebodings of all chronic croakers, and more than ever astonish the civilized world.

Referring especially to the proposed canal enlargement, Lieutenant-Governor Bross said:

Build this canal and enlarge the lower St. Lawrence canal so as to pass vessels of a thousand tons burden, and in five years from the time it is completed the teeming West will as easily furnish the hungry millions of our race with a surplus of a hundred millions of bushels of cereals as she now does half that amount.

The necessity of this enlargement is manifested by the enormous profits of the great railways, and the extravagant rates of transportation, showing that the quantity to be carried forward is so vast that carriers command their own terms. The warehouses and the mammoth elevators of the latter towns for the last two years have been crushed with freight; everything which could be made to float on the lakes and canals has been taxed to the utmost, and proved insufficient to carry to market the products of the West.

The canal would lessen the distance between Chicago and all the cities on the western shores of Lake Michigan and New York and Liverpool some three hundred miles. The entire distance between the Georgian Bay and Toronto is only one hundred miles, less than forty of which would be close canal navigation. There can scarcely be a doubt that a vessel could reach Toronto by the time it could get to Detroit. By it the navigation on the St. Clair River and the Lake, including, of course, the flats, the Detroit River, Lake Erie and the Welland Canal would be saved.

Mr. Bross concluded as follows:

The opening of this canal will make Toronto one of the largest manufacturing cities of the Continent, besides the great advantage it would be to her mercantile interests. As to Montreal and Quebec, they would inevitably become rivals of New York, for in these cities assorted cargoes of goods would be made up for all the lake cities which could not trade directly with Europe. It needs but a proper appreciation of the vast importance of this work to the permanent progress of the cities on Lake Ontario and the St. Lawrence, and to Canada generally, to New England and to old England, and to the great West, to secure its construction as fast as men and money can do it. It has become an absolute necessity to the commerce of the continent, and therefore that it will be built within the next decade I regard as certain as anything can be in the no distant future.

Mr. Capreol, President of the H. and O. Canal, promised that within seven years the canal would be fully constructed and opened to the world.

TAX ON BANKS AND BANKERS.

The following decision of the Commissioner of Internal Revenue is just issued :

TREASURY DEPARTMENT,
OFFICE OF INTERNAL REVENUE,
WASHINGTON, D. C., Nov. 12, 1866. }

Under the provisions of the act of June 30, 1864, the license taxes of bankers were based upon the amount of capital used or employed. The Solicitor of the Treasury has given it as his opinion that the surplus earnings of an incorporated bank are no part of its capital within the meaning and intent of that part of said act which relates to license taxes, and that the license tax of said bank should not be assessed upon a sum greater than its chartered capital.

Whenever, therefore, a sum greater than the chartered capital has been made the measure of such a tax for the current year, the excess will be abated upon an application made in proper form to this office.

E. A. ROLLINS, Commissioner.

AN ACT TO AMEND THE NATIONAL CURRENCY ACT.

On Wednesday of this week the Bank bill was reported to the House by Mr. Hooper, Chairman of the Committee on Banking and Currency. It is entitled an act to amend an act to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof, and is, in all its main features, similar to the bill reported last year, as an amendment to the act of 1864, and for which this is a substitute. First, it limits the circulation of any one bank to \$1,000,000; second, redemption in New York; third, reduction of the circulation of existing banks \$31,000,000 by scaling down the circulation of all banks whose capital exceeds \$300,000; fourth, distributing \$30,000,000 of this circulation equally among State banks yet to be converted into National banks, and to new banks in States that have heretofore received the least ratable proportion of circulation; fifth, fuller and more complete returns to the Comptroller of the Currency; sixth, more power to the Comptroller to close up defaulting banks; seventh, more severe punishment for counterfeiting.

SPECIE PAYMENT AND THE LEGAL TENDER CURRENCY.

The following interesting correspondence between Hon. E. G. Spaulding and the Secretary of the Treasury has been sent us for publication :

MR. SPAULDING TO SECRETARY McCULLOCH.

FARMERS AND MECHANICS NATIONAL BANK, }
No. 8 Spaulding's Exchange,
Buffalo, Dec. 4, 1866. }

DEAR SIR—You will do me a favor by sending to me by mail a pamphlet copy of your report and accompanying documents. I have only seen a synopsis of it, but it seems to me that you understand the situation, and have stated it with force and ability. I congratulate you on the favorable exhibit of the public debt, which is in a great measure due to your discreet and prudent management of the national finances. You have no doubt now, to a large extent, control of the finances of the country, and I think that you will, of necessity, contract moderately, so as to preserve a tolerably easy money market, in order to be able to fund the compound 6's and the 7-30's into long gold-bearing bonds, between this and the 15th of July, 1868. There may be occasional spasms and tightness for money with the *speculators*, but generally I shall look for plenty of money for legitimate business for at least a year to come. If the *speculators* should get some check it would be a good thing for the country, a d all men engaged in industrial pursuits would not complain.

I hope you will be able to reach the specie standard with at least \$250,000,000 of

plain legal tender United States notes still outstanding. The amount of gold and silver coin now available in this country is so small that it constitutes a very inadequate basis on which to rest the largely increasing volume of business to be transacted, and unless we can have legal tender in some form, other than gold and silver coin, I think we will hereafter be very much exposed to panics and revulsions, to the injury of legitimate business and, consequently, diminished revenues. If we can maintain \$250,000,000 of the paper tender at the specie standard, in addition to the supply of gold and silver, I think the business of the country would in future be much more steady and uniform.

Yours truly,

Hon. HUGH McCULLOCH, Secretary of the Treasury.

E. G. SPAULDING.

SECRETARY McCULLOCH'S REPLY.

TREASURY DEPARTMENT.
WASHINGTON, Dec. 7, 1866. }

DEAR SIR.—Your favor of the 4th instant is received. You will receive a copy of my report through the Comptroller of the Currency. It was very hastily written, but is, I think, sound in doctrine.

What we need is an increase of labor. If we could have the productive industry of the country in full exercise, we could return to specie payments without any very large curtailment of United States notes. My object has been to keep the market steady, and to work back to specie payments without a financial collapse. I shall act in future as I have in the past, with great caution, and attempt no impracticable thing.

I am, very truly, yours,

H. McCULLOCH.

Hon. E. G. SPAULDING, Farmers' and Mechanics' Bank, Buffalo, N. Y.

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The following advertisements appear in

MERCANTILE.

Fowler & Wells—399 Broadway.
Marshall's Portrait of Abm. Lincoln—Ticknor & Fields.
L. Prang & Co.—Boston and New York—Holiday Publicat ons, etc.
Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place and Eighth St.
Ferdinand Korn—191 Fulton St.—Eau de Cologne.
Lewis Andendried & Co.—110 Broadway—Anthracite and Bituminous Coal.
Grover & Baker—495 Broadway—Sewing Machines.
A. B. Sands & Co.—139-141 William St.—Drugs
Wm. Dryca, agent—166 Fulton St.—Matzena.
J. W. Brudley—97 Chambers St.—Hoop Skirts.
Chickering & Sons—632 Broadway—Pianos.

BANKERS & BROKERS.

Tenth National Bank—336 Broadway.
Barstow, Eddy & Co.—36 Broad St.

our advertising pages this month:

Lockwood & Co.—94 Broadway.
Vermilye & Co.—44 Wall St.
Eugene Kelly & Co.—36 Wall St.
De Witt, Kittle & Co.—88 Wall St.
Simon De Visser—62 Exchange Place.
Duncan, Sherman & Co.—Cor. Pine & Nassau.
L. P. Morton & Co.—35 Wall Street.
Robinson & Ogden—4 Broad St.
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Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.
Ninth National Bank—363 Broadway.

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Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Gruet Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Germania Fire Ins. Co.—175 Broadway.
Etna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

FEBRUARY, 1867.

MR. WALKER'S SCIENCE OF WEALTH.

We recollect but one English and one American treatise on political economy the author of which derived his knowledge of the laws of wealth from any other source than the depths of his intellectual consciousness, or the accumulated treasure of his predecessors. The former is that of Mr. Ricardo, a banker of London; the latter is the work before us. Mr. Walker, in his preface, claims a continued business experience of twenty years. Mr. Ricardo's specialty, however, was rent, the connection of which with banking is, to say the least, not obtrusively plain. Mr. Walker devotes himself chiefly to the currency, which every day's experience as bank director and merchant would, to an observant and thoughtful mind, illustrate and expound. We feel justified, therefore, in saying that no system of economical science known to us is so largely the result of practical acquaintance with manufacture, banking and trade as this of Mr. Walker. This fact will naturally command, in some degree, the attention and even confidence of the business community, while it has served to relieve the reader from much of the difficulty and perplexity usually attending the study. The science is here divested of that obscurity which has concealed its features to the common eye, an obscurity woven of technical terms in the forms of metaphysical disquisition. Excepting value, we believe no word is here used out of its acceptation in daily life, and no reasons are given more mysterious or foreign than a farmer might give for his crop, or a merchant for his monthly balance.

Mr. Walker's method includes a minute and formal analysis of every special subject treated, the divisions being marked by letters or figures. Of course, much of the smoothness and grace of composition is inevitably sacrificed. In an essay, the transitions should be easy and even imperceptible; the movement should be on springs, suppressing the jolting of each rut and stone in the path of argument; the outlines flowing and rounded, as little as possible suggesting the framework within. But in works designed for actual instruction, especially with unprofessional students and men of limited leisure, it is doubtful whether an author can afford to sacrifice so much to the general effect. Discussions of this kind must be anatomical in their method; and clear definitions and precise divisions will help the reader far more than gracefulness of figure or lines of beauty. Every limb and joint of the argument should be exposed. By this an author certainly effects two results; the first, that he offers more points for the student to take hold of; the second, that he affords the same convenience to his critics. By making a discussion definite and particular, he loses the precious refuge of generalities, and must stand or fall with his reasoning. Each step of the procedure can be examined by itself, and the argument verified, or otherwise, from page to page. With many writers on this, as on other sciences, it is impossible to collect in their own words their cardinal principles within any reasonable compass. Apophthegms are religiously shunned, and the sense is diffused through so many sentences, and around so many lengthened parentheses, that a critic despairs of getting either nails or teeth fastened where he can tear or bite. Such writers are like Mr. Squeers' son Wackford, who could not be shut into any door, and from whose plump skin a pinch slipped off, leaving no sting behind. But if an author affords such opportunities to his enemies, he is fairly compensated by a better understanding with his friends.

We have a painful recollection of some admirable works on political economy, in which the only division was by chapters, which rolled along, an unbroken stream, for forty or fifty pages. The whole was to be taken at a dose. If one was so unfortunate as to be interrupted at a sitting, the chapter must be commenced anew. There was actually no such thing as a resting place, and an effort, which did not bring you to the top, went for nothing.

Mr. Walker's analysis is carried to the point of minuteness, and if it is not accurate, it at least makes its own refutation easy. The volume may be laid down at any moment, and resumed at leisure, without losing the continuity of thought. The rope is knotted at so many points that it cannot unravel far. A brief glance at the previous headings enables one to recover the precise spot reached, not of the page alone, but of the argument. This feature of the work would, however, have its chief value—we beg Mr. Walker's pardon, *utility*—in its use as a text book, enabling both the scholars to seize the points more firmly in their unpracticed hands, and the instructor to hold them more closely to accuracy and continuity of recitation.

Before proceeding to discuss the special views of the author, we will notice the general idea of economic freedom which pervades the work, not alone brought formally out in the technical question of free trade, but cropping out at every point of the discussion, whether of industrial association, of luxurious consumption, of property transfer, of bequest, or of

usury laws. Mr. Walker evidently does not regard either straight jackets or apron-strings as an essential part of human equipment. He has faith in the instincts of man, and in the disposition of social forms.

"Government cannot furnish a new power in man, or a new agency in nature. It can, to a certain extent, control the exercise of existing power and the use of existing agencies; but it can only control by limiting them." (p. 1.) "There is no sense so subtle as that with which a man detects his own wants. There is no spur so sharp as that which urges him to satisfy them. The wants of a people are the sole proper, the sole possible, motives for production. Nothing can be substituted for them. Anything that seems to take their place is merely a debasement of them." (pp. 92-3.)

Mr. Walker declares the definition of Value to be cardinal in his philosophy. And this definition he assumes irrespective of proof. He takes it because he likes it and does not think of asking the reader's assent to its truthfulness. "No apology is to be given for the definition, and no substitute offered."

This seems rather arbitrary to Americans, but Mr. Walker appears to think that if he is to write a book of 500 pages on Political Economy, he is at least entitled to say what he means by one word, Value. We said irrespective of proof, but not without proof. The definition is defended and the reasons illustrated at great length, chiefly by selections from the "Harmonies" of Frederick Bastiat. We believe that no intelligent student at the present day can reject the theory of Value so luminously revealed by that eminent French Economist.

As Mr. Walker puts it, the term "always expresses precisely power in exchange, and no other power or fact. Desirableness is not value. Utility is not value. * * * The use of this term in its strictest sense is of the utmost importance. If confounded with anything, or taken into any partnership, the whole science is thrown into confusion." (pp. 8-9.)

It may be fair to suggest whether Mr. Walker's strenuous assertion that this, and only this, is value, is not in part caused by the relation of the definition to his subsequent development of the laws of currency. Of course, this is no reason against it. Definitions, to be of scientific efficiency, must be rigidly correct, and the more important the use to be made of them, the more occasion for an author to enforce an unyielding conformity.

Our pen stops to pay its tribute to that illustrious name which no scholar of social philosophy can ever pass without an act of homage. If Bastiat had lived to the common age of man, it may almost be said there would have been no need for another to write. The fragments into which poverty, disease and early death broke the pure crystal of that perfect globe of social order which his mind alone has been able to fashion, are yet, in their wreck, the royal gems of Political Economy.

The department of Production contains nothing specially novel. Very much the usual method is pursued, the division of labor being treated at great length and with various illustrations. Only the primary and simple principles which control the creation of wealth are here discussed, and these, fortunately, are beyond controversy. The most marked exception, perhaps, is a satisfactory refutation of the distinction between productive and unproductive labor.

We pass, therefore, to the book on Exchange.

The author could not be expected to add much to the argument for Free Trade. "The territorial division of labor" is the ground work of his scheme of national industry. The illustration drawn from the iron manufactures of the United States forms a novel feature, and is especially satisfactory because "a stronger argument can be made in favor of its receiving governmental protection than any other."

But while in the direct treatment of the question of "Protection," he has only put in new form the wearied argument of half a century, he yet, on reaching the subject of currency, casts back a light that amounts about to revelation. We refer to the tables exhibiting the law which governs importations. The common belief is, and tariffs are established on the supposition, that the amount of importations is governed by the rate of duties. Diagram No. 7, shows geometrically the prevailing imposts for 42 years, with the actual statistics of the Custom-house as to the amount of foreign goods passed. The lines correspond just about as nearly as two very irregular lines might be expected to, if drawn by different persons independently; sometimes they come together, sometimes they go to the very antipodes. No principle whatever seems to govern their relations. Diagram No. 8 exhibits the volume of *currency* and the amount of *imports* for each of 26 years. The lines are drawn on a field checked with exact and equal squares, so that the reader can by counting with his finger prove the justice of the proportions, while the figures of the official returns are given at the side. The correspondence is perfectly wonderful. Convinced as we have for years been, that our tariffs were essentially neutralized by a defective currency, and our domestic manufactures kept at constant disadvantage, we could not have believed, without this demonstration, that the result could be so unmistakably shown to the eye.

If Mr. Walker had made no addition to the Science of Wealth, except these diagrams, overwhelming as their testimony is in regard to two of the most vexed and important subjects of discussion, we should yet pronounce his publication a success. This is the only portion of the work on which we shall pronounce a panegyric, and we may therefore be indulged in some little extravagance; for the discovery of a new law, governing a great mass of seemingly perplexed phenomena, is of real scientific interest, and we recognize such a discovery in these charts of tariffs, imports and currency.

We said that the author has not had much opportunity for important discoveries on a field so thoroughly tilled as protection. This is true of the scientific argument, but we think, irrespective of all economical principles or industrial facts, and even granting the whole question to the advocates of high duties, the practical political difficulty which Mr. Walker urges is full, decisive and irreversible. "Injurious as protection is to the best interests of the country, any system of it, however severe, would be preferable to the "open and shut" policy, absolutely unavoidable in a government like ours. It is not within the bounds of reason to suppose that the alternate successes of parties will not continue to convulse our national legislation; and therefore it is with emphasis true, that a consistent system of protection is only possible in a government with great conservative force and great central powers. A representative body, embracing the most opposite interests, swayed by such influences and intrigues as notoriously possess such an organization, and changed in all its parts

every few years, is not the place in which to adjust accurately and dispassionately the economical parts of a nation, and distribute the agencies of production," (pp. 109-10.)

The present winter opens fair to give the general public an illustration of this, in the way of lobbying, log-rolling and the bullying of members, such as has never before been known. No language that should amount to less than a breach of privilege, would begin to express the eminent unfitness of the American Congress for devising and directing a scheme of national industry.

The question of currency is of course made by Mr. Walker the main feature of his work. While it occupies more than its aliquot share of space, the importance of the subject, the pecuniary and social antagonism provoked, the elaborately confused state of the question in the general mind, and the radical character of the doctrines proposed will probably go far to excuse the violation of bibliographical symmetry.

The whole discussion, at this point, has a jealous tone, as if anticipating attack from every quarter. As you pass from hall to hall you are compelled to climb over logical barricades, are challenged at every door, and the sulphurous fumes of the argumentative slow match are ever in your nostrils, suggesting an explosion imminent. Hence, the time occupied in traversing this department of enquiry. While these precautions appear at first sight excessive, they are not without some excuse. To say that the author anticipates the most frivolous objections is simply to say that such objections have been urged over and over again to the apparent satisfaction of some classes of the community. He seems to have gone over the field, this time, beforehand, to pick up every decent sized pebble within throwing distance, and the party that *will* fling stones must bring them a long way with him. While it is philosophical to say that an author should rely on the truth of his own arguments, and not trouble himself greatly as to the character of his assailants or their weapons, we have all probably had a hundred occasions to observe how the most inconsequential objections, if urged volubly and with assurance, will defeat the force to a general audience of a demonstration as faultless and orderly as Euclid's.

We spoke of these views as *radical*. That is precisely the word to characterize them. To train, to prune, to graft this fast and far spreading Banyan-tree of credit has been the great effort of theorists and law-makers. Our author proposes to cut it up from the roots, as always, only and of course mischievous. Just what proportion of credit may be safely introduced into currency has been the Northwest passage of economical adventurers. Mr. Walker believes that this question is simply how many rotten timbers can be put in a bridge without bringing it down, how much the blood can be reduced before fainting, how much poison can be injected without death. These are strong expressions, but not stronger than are used in the book. Let us trace the argument.

Industry requires the use of money as a medium of exchange and standard of value. Such an instrument must be, for the whole world, of gigantic dimensions and corresponding cost. But this is no more to be grudged than the food we eat, the clothes we wear, the tools we employ, the materials we consume in our daily life and work. To save the expense would be to lose a hundred times greater value.

If of such importance, the only question is, what best fulfils the office of

currency. To take anything else is to use wooden plows in tillage and paper guns in war. We are told that only an article possessing value in itself, *i. e.*, the fruit of human labor put forth for an object of desire, can act satisfactorily as the money of the world. Certainly only value can be a standard of value—that is self evident.

But does the introduction of aught but value (with labor, actual human work as its substratum) into the currency only reduce its efficiency? By no means; the evil is positive. Just so far as credit is brought in, just so far is the currency made an instrument of mischief to all industrial interests.

A value currency is governed by the laws of value. "There is a reason for the putting out or taking in of every dollar" (p. 155). It can no more be increased arbitrarily than cotton or wheat. If it is raised in any country above its proper height it passes off by gradual exportation, under the influence of the law of demand and supply. "Real money is like the water of the globe, rising and falling by natural laws, and keeping its level by its own mobility." (p. 156.) Thus, there can be no plethora or depletion. The perfect state of temperance is maintained without human care or provision.

But a currency composed in whole or part of credit is not governed by the laws of value. "It is not produced by labor. This last fact removes the gravitation which alone can secure a currency. It makes it a thing to be blown about by every breeze, carried up or down with the currents, or whirled about in the eddies of trade." (p. 155.) Its stability thus destroyed, its expansions and contractions produce the most disastrous results.

Nor are they accidental. The fact that a portion of the currency is composed of credit, costing nothing, on which the banks yet obtain interest, makes it for their profit to get out and keep out, in good times, all they can; while the same fact, that a portion of the currency is only credit, for which, however, the banks are equally liable, makes it at once expedient for them, and even necessary, to withdraw as much and as fast as possible, when hard times come. If human nature may be relied on to produce any effect it will certainly secure the recurrence of expansions and contractions indefinitely.

The nature of the case, with the concurrent experience of thirty-four years, tabularly and geometrically exhibited in the volume before us, prove that such fluctuations will take place, irrespective of, and indeed contrary to, the requirements of industry and trade.

The next question is, are they so great and violent as to make the currency which necessitates them an evil, or can we endure them in consideration of the gain from the use of credit money?

Without following the order of the book or even accepting all its conclusions, the mischiefs attending those fluctuations may be stated as follows:—

1st. The unceasing transfer of property without an equivalent.

"In the mildest form of such a currency, fluctuations to the extent of fifteen per cent. are shown to be as common as yearly occurrence can make them." It is as if "the yard-stick were stretched to forty-two inches one year and shrunk to thirty another, or both should happen the same year, without any possibility of anticipating the change, or any public proclamation of it." "Enormous transfers of property take place under

this system without any desert in the party who receives what is another's, and without any fault in the party who gives up what is his own. This it is which makes business a very complicated kind of gambling." (p. 173.) "Every bargain, in an industry of \$3,000,000,000 a year, is more or less vitiated by a harsh and unnatural change, one way or the other, of the currency." (p. 172.)

2nd. The occasional total revulsions of trade.

On the approach of panic, "credit introduces a direct hostility between the interests of those who control the currency and of those who wish to use it. The interest of the one requires that the notes shall be withdrawn. The interest, nay, the life of the other, requires that they shall be kept in circulation." As the banks *can* withdraw their notes, millions a week, what is to become of the business men? 1857 and 1837 furnish the answer. The best houses of the country go down, not because they have not got property, but because they cannot get money.

How much and how permanently disasters of this kind damage the industry of the country, it is not easy, perhaps not possible, to ascertain. No sensible person would place the loss at a low figure, while the best informed would probably differ widely in their estimates.

3d. The discouragement of Domestic Manufactures.

It is beyond dispute, or even beyond conjecture to the contrary, that such must be the effect of debasing the national currency. The illustration is that before our eyes at the present moment, when we are not only ruled out of the general trade of the world, but even the most oppressive duties will not keep out the flood of foreign goods that inevitably sets towards the country that has the *cheaper* and hence the *inferior* currency. This is another item in the account of gain or loss. Unfortunately, it is of a magnitude beyond computation.

4th. The special discouragement of American Agriculture.

The prices of our manufactured articles, since we do not export, are determined by the value of the currency, and hence the loss to the country. The prices of our agricultural products are determined by gold prices abroad, and hence the loss to the farming class, as well as to the nation.

"As a people, we have a large surplus of agricultural products that must find sale in foreign markets. Whatever such surplus is worth for export, determines the price of the whole crop; and the value or price is hence determined by the value or price of gold. Such products are virtually sold for gold. * * * How much difference this makes may be seen at the present time, when commodities in general are 120 per cent. above par, while gold is but forty. * * * At the time we are writing the people of the West are suffering prodigiously from the influence of a redundant currency." (pp. 205, 207.) Table IX shows that the prices of cotton and wheat for fourteen years have not conformed to the movement of general prices in the United States.

It is not necessary to proceed further with these objections. Mr. Walker's proposal is a gradual progress to a money consisting as far as desirable of notes, but these based on specie in bank, of which they circulate as the representative. This would combine "the convenience of paper and the reliability of coin," and leave nothing to be desired. It has been tried and approved in the vast and beneficent commerce of Genoa, Amsterdam and Hamburg. It secures not the cheapest but the best in-

strument for the work. It builds no "wagon ways through the air," but lays the broad track of trade upon the solid earth.

The whole discussion supposes the currency "*in statu quo ante bellum*." Mr. Walker regards the present condition of things as temporary and transitional. The chapter on the new National Bank system shows what our circulating medium will be when specie payments are resumed, with the alterations, improvements or otherwise, of the last few years.

The various and interesting questions connected with Distribution are taken up in the usual form and order.

Of Wages, the most noteworthy point made is, that they do not rise equally with commodities, because for the latter there is both an actual and a speculative demand, while for the former there can only be an actual, present demand.

Under the title "Profits" Mr. Walker adduces nothing new or controverted, except the distinction between profits and the reward of capital. Profit is the reward, not of capital (which receives only interest and rent), but of Business. This distinction we believe to be natural and necessary, and any one who disregards it will simply get the threads of his reasoning in a snarl.

Under Interest, there would have been nothing new if the author had not found means to connect it with the all-important question of currency. His proposition is "A mixed currency causes unnatural and extreme fluctuations in the rate of interest." The tables introduced, which show fourteen years of British, and twenty-eight years of American commerce, seem to prove, not that interest has fluctuated extravagantly, for who needs to be convinced of that? but that it has followed the movements of the currency and been governed by them.

The article on Rent is brief, but proportionally clear. We mistake if any topic is treated more lucidly throughout the work. The proof of the proposition that rent would arise "though all land were equally fertile and there were enough for all," we regard as the best demonstration the author has given us. A foot note informs the reader that this, in its essential features, appeared in the *MERCHANTS' MAGAZINE* for 1860.

The discussions on Labor Combinations, Trades Unions, Strikes, &c., are rather more hasty than most in the work, yet the positions generally are respectably maintained. We believe there is in them nothing particularly new. The author evidently is much impressed with the importance of co-operative associations as reconciling practically and speedily the "differences" of labor and capital. We have no objection to the theory, and none at all to its realization, but we doubt very much whether fifty years will find any great advance in this direction. The Yankee tends to subdivide work, and the calculation of petty savings, eminently useful though it be, is not his method of making a living.

The subject of Taxation properly receives an extended consideration. The importance of the enquiry has opened like a new world before the American eye since 1863, and promises to prove a substantial and permanent discovery, if a monstrous debt and a liberal Congress can be trusted to keep up taxes, as we think they may. Mr. Walker applies to the different means of revenue the test of Adam Smith's "classic" four propositions, to which he adds a fifth. These contain substantially the prin-

ciples which should govern the impositions of Government, but we are inclined to believe that the form would be very much improved by putting the whole into eight or ten pithy apophthegms. The only reason we can conceive for retaining the confused method of Dr. Smith, is the almost imperial authority of that great name, and as Mr. Walker so often flies in the face of prescription and precedent, and casts contempt on order and custom, it may perhaps be reckoned a relief to have a few chapters of which nothing can give rise to anger or dispute.

While adopting the Income Tax, as in theory, and in its reasonable possibilities, the sole tax, a tax without exception, just, easy, and efficient, this work nevertheless accepts the present mixed, and, as is generally supposed, compensating system. Now the mere fact that a system is mixed does not make it compensating, nor does a general belief that the various parts of a system supply each other's deficiencies, necessarily make it so. With one town laying one per cent. on property, and another three; with one state taxing railroads, another lotteries, another salaries; with the Federal Government dipping promiscuously into income, import, manufacture and trade, we should say that the chances of just and judicious compensation were exceedingly small, the probabilities of equalization still finer, while monstrous wrong and robbery would not be unlikely.

Our author admits that the present arrangement "does not establish perfect justice," but asserts that "it approximates as nearly to it, perhaps, as any system of taxation ever adopted or likely at present to be adopted. We confess we should have been glad to see some pages of calculation, with "examples from real life," tending to establish this opinion. We are inclined to believe that the total body of taxation, as it rests on the people of the United States to-day, presses with unequal and mischievous force.

We believe the article on the Taxation of Government Bonds has already appeared in the *MERCHANTS' MAGAZINE*. The discussion is timely, and the reasons presented against exemption are sound and strong. Its evils are already manifest, and when it reaches on to create an interest against the speedy payment of the national debt, those evils will be greatly increased.

The question of Poor Laws, Population and Promogeniture are kindred, and might be grouped together, although the author has not chosen so to do in "the Science of Wealth." They may be called English questions, since, fortunately, with us, they have not arrived at great practical importance. And yet the fact that the evils have not become so multiplied and complicated here as to produce general distress, is also a reason for our being able to trace and determine their origin, growth and character with an ease and accuracy impossible to the actual sufferers across the Atlantic. These discussions exhibit strongly Mr. Walker's faith that the natural order is the happy order, and that the remedy of existing evils is to be sought, not in laws or social arrangements, but in a return to the condition of economical freedom and equality. The perfect self-sufficiency of labor, when it is allowed its own rights, furnishes the solution of all difficulties.

The book devoted to consumption is especially interesting, because other writers have neglected this department, the most important and fruitful of all. As Mr. Walker says, "all the interest that belongs to wealth belongs to its use." He has offered us 90 pages under that title, though some chapters come no more properly under that head than any

other. But we will accept what is given as an earnest of a philosophy of the use of wealth. The subject naturally tends to generalities, and the author exhibits the effect of this tendency. The springs of wealth lie deeper here; and the truth becomes rather a matter of self-satisfaction than of demonstration. But if the philosopher is deprived of the pleasure of reducing his opponent to an absurdity, he has an abundant compensation in the richness of illustration which belongs to the questions of consumption. We should be glad to make a few extracts from this portion of the work, but we have neither time nor space, and without these, philosophers tell us, nothing can be.

Mr. Walker, in the science of Wealth, goes over the ground usually included, and even introduces some matter not generally treated in the connection. Yet we should have been glad to see some subjects discussed at length which are only alluded to, and the purely *descriptive* element employed to a greater extent. There is no reason why a treatise on this subject should be mainly controversial or even argumentative, any more than a volume of Christian morals or pastoral poetry.

Mr. Walker has given us many of the Curiosities of Political Economy, to follow the title of Mr. Disraeli, but these might be almost indefinitely multiplied, not to be thrown into chapters by themselves, but judiciously interspersed along the pages, to tempt the appetite, or allure the eye. What a fund of industrial oddities, monetary rarities, commercial monstrosities, and economical prætergenerations lie about the fields of history, waiting to be gathered!

On the whole we must say, that this work of Mr. Walker's will derive its character in general estimation from its philosophy of the currency. Whatever its merits in other respects, the main and distinguishing feature must be that which occupies so great a portion of the volume. If the author has substantiated his position that credit, as currency, is only mischievous, deranging industry, exciting speculation, unsettling prices, intoxicating trade and vitiating contracts, fluctuating by an inherent necessity and doing evil in its own name, the importance of the discovery to science and to the country cannot be over-estimated. These views are not advanced for the first time, but they are given in a permanent form and in their proper relation to the laws of wealth.

The diagrams which illustrate the laws of currency, importation, interest, &c., are a purely novel feature. They teach their lessons in a most impressive manner, revealing to the eye at a glance, what the mind must otherwise grope and feel after, through the winding ways of argument or conjecture.

EUROPE IN 1867.

As the year 1866 drew to its close a heavy cloud-bank of threatening political questions was piled up above the European horizon, portending no quiet or pleasant advent of its successor. In the remote East the outbreak of the Candiotæ Greeks gave warning that the hour of the final dissolution of the incongruous and stagnant Turkish dominion could not forever be postponed by the diplomacy of the West. In Italy the

departure of the French garrisons from the Papal States was anticipated with concern by all who knew how greatly the future of the new Italian Kingdom depends upon its power to maintain the authority of the laws over populations long corrupted by tyranny, and who understood how certain it was that the Mazzinists and the Garibaldians, the "party of action," as they style themselves, would endeavor to raise the Roman people in a turbulent revolution about the heels of the retiring protectors of the Papacy. In Germany the folly of the Emperor Francis Joseph in insisting upon an attempt to perpetuate the absolute supremacy of German Austria over the powerful Slavonic and Magyar races, in which the strength of his empire now resides, gave abundant reasons to fear a complete break-up of the ancient Austrian monarchy, bringing with it inevitably not only a renewal of the recent war in Germany, but struggles also of a wider sweep and of more dangerous possibilities along the lower Danube, and upon the southwestern frontiers of the Russian Empire. At the same time there were many evidences visible of a growing jealousy between the French and the Western German population, evidences the menace of which was not mitigated by the haughty, almost defiant, attitude of the Prussian Government towards the Emperor Napoleon III.

In France the failure of the Mexican expedition, and the extraordinary success of the policy of Count Bismarck, had shaken the prestige of the Emperor and emboldened the malcontents of the upper and middle classes to assume a position of open hostility to His Majesty's grand and darling scheme for a military reorganization of France on the Prussian model. And in England itself, ordinarily the type of domestic order and of political stability, strange mutterings were audible. A movement for an extension of the franchise, and of the popular representation in Parliament, had gradually grown under the manipulation of a knot of experienced political agitators into the likeness of an incipient revolution. So prominent a man as Mr. John Bright had not hesitated openly to recommend a "pressure upon Parliament" in the form of gigantic popular demonstrations of the physical force of the disfranchised classes. Excesses committed in London, in Sheffield, and in other large towns, had been interpreted in the light of these recommendations of the man who is universally recognized as the ablest living leader of the extreme Radical party in English politics. The government of Lord Derby, relying upon the instinctive indignation with which the English people have always responded to any threat of coercion, whether from above or from below, from a Charles I., or a Jack Cade, had taken high and resolute ground, and was evidently determined to avail itself of the incautious language and conduct of the extreme Radicals, for the purpose of hurling down the moderate Whigs effectually, and dividing Parliament between the two camps of Bright and of Disraeli.

In this general condition of the older Continent there was certainly much to justify the anxiety with which statesmen and journalists looked forward to the year now begun. To Americans this aspect of affairs was made more than usually interesting by the appointment of the month of April, 1867, as the opening season of the World's Fair at Paris. It has been by common consent anticipated that this would

prove to be the most superb exhibition ever made of the wealth, the resources and the progress of humanity in modern times. Paris, at all times the most attractive of cities, has gained a new and peculiar charm from this anticipation. And it is reasonably enough expected that the exodus of Americans to Europe during the coming spring and summer will far exceed anything which has been seen in the past. The Assistant Secretary of the Treasury, Mr. Harrington, now in Europe, estimates the number of Americans actually in Europe to day at nearly thirty thousand, and puts down the influx thither for 1867 at more than one hundred and fifty thousand. To all of these intending travelers, therefore, it naturally was, and is, a question of moment whether the festivities of April at Paris are or are not likely to be overcast, or perhaps even wholly arrested, by the outbreak of the flames of war or of revolution in one or another important region of the vast area which, as we have seen, the year 1866 left so ominously volcanic and smoking. Four weeks of the year 1867 have so seriously modified the face of matters that this question may already be answered without rashness, and in the negative.

In England, the mistakes of the party of John Bright, and the cleverness with which the Conservatives have availed themselves of these mistakes, are already bearing their fruit. Such is the strength of the reaction induced by the foolish Radical demonstrations of the Autumn of 1866, that Lord Derby's government have announced their intention to leave the question of Parliamentary reform in the hands of the Opposition, reserving to themselves the advantage of controlling in the final vote that powerful section of the Liberals who, while they will hardly be able to prevent Mr. Bright from giving shape to any opposition measure of reform, will be certain to throw their whole weight against the adoption as law of any measure which Mr. Bright shall have shaped. The English Radicals who, having loaded themselves most unnecessarily with the odium of the Fenian movement in Ireland, have suffered from its failure, and the revolutionary party in Great Britain, may be truly said to be more powerless at this moment for good or for evil than at any time since the Chartist demonstrations of 1848.

In France, the Emperor Napoleon, by a bold and unexpected stroke of policy, has disarmed his domestic antagonists, and enormously increased his force in dealing with foreign diplomacies. He has abolished the executive censorship of the Press, and established a more complete freedom of the Parliamentary tribune than existed in the time of the Orleans monarchy. These measures are pretty clearly preliminary to an open appeal to the masses of the French people in behalf of that grand reorganization of the French army upon which the *bourgeoisie* have already pronounced unfavorably. No Frenchman in our day has shown such a thorough knowledge of the real temper and feelings of the French peasantry as the Emperor Napoleon. No man is more fully aware than he of the overbalancing power of this class in France, and no man has so much reason as he to know that with this class the glory and the preponderance of France in Europe are the deepest of political passions and the most effective of political levers. Freedom of the press and of the tribune will bring it clearly home to the peasantry of France and to the working classes in the great towns, who

on these points are at one with the peasantry, that the aggrandizement of Prussia threatens the preponderance of France in the west, and that the increasing complications of the Eastern question may at any moment compel France to encounter a formidable alliance in the Levant. This being once made plain to the people of France, the Emperor can propose no military law so stringent and sweeping that it will not be supported by the vast majority of Frenchmen with enthusiasm. Whatever may be the ultimate peril to Europe involved in this fresh hold of the Napoleonic dynasty upon France, it must at least be regarded as a new guarantee of quiet for the immediate future. The increased strength of France is a possible prospective menace to Prussia and to Russia, but for that very reason it is pretty sure to impose a policy of moderation upon those powers for the present.

This influence will be fortified, in the case of by Prussia, the very great trouble which exists in the newly arranged States of Germany. The Prussian military system is a source of great vexation to the people of those States, and the authorities appointed by King William have done more to heighten than to diminish the ill feeling caused by the change of system.

So far as concerns Russia, the prompt acquiescence of the Turkish Government in the demands of Serbia has deprived the Greek insurrections in Turkey for the present of their chief importance. No movement of the Christians in Turkey can promise much in which Serbia does not lead; and as Serbia has now gained all she has asked for, and is more disposed to await the dismemberment of Austria for her of chances development than to invite a Russian interference in Turkey, which would redound rather to the advantage of the Greeks than of the Servians or their neighbors of Moldo-Wallachia, the probabilities are that the efforts of the Great Western Powers to appease the ferment in the East will be successful for the time being.

We may sum up our view of the present position of Europe, therefore, briefly thus: The year 1866 has bequeathed to us a great number of unsettled and angry questions, to which the first weeks of 1867 have added the threatening of a revolutionary outbreak in Spain. But the first weeks of 1867 have thrown into the scale in favor of peace a notable consolidation of the power of the Conservative Ministry in England, and a great and real advance in the hold of Napoleon III. upon France, and through France upon the springs of Continental action. With this advantage on the side of the Western Powers, whose present policy is the maintenance of peace at almost any price, we have little doubt that peace will be maintained; and that 1867 will be the year of travail rather than of birth for the great changes which the future is preparing in the map of Europe.

THE FUTURE OF COTTON.

The cotton yield for the current year is still a matter of considerable uncertainty. It must, however, be acknowledged that the tenor of evidence upon the question favors the estimates of the low crop party. It appears that almost every condition affecting the yield adversely has been realized. The drought and the rains, the worm and the frost, have combined to limit the supply; and, in some sections, loss has been incurred from the disinclination of the laborers to work. Reports are, consequently, received, from almost every point, of disappointment at the result of "picking out." Even those planters who, in October, were sanguine, find the result of their own crop much below their anticipations, while all who estimated the yield at or exceeding two millions of bales now find it necessary to reduce their estimates; and those who from the first have predicted a light supply, have still further moderated their small expectations. This change of estimates is altogether too general to be treated lightly.

During the first four months of the cotton year, *i. e.* from Sept. 1 to Jan. 1, the receipts from the interior were, in round numbers, 735,000 bales. During the eight years next preceding the war the receipts for the four months ending January 1st constituted, on an average, about forty per cent. of the total average crop. Supposing this ratio of receipts to have been maintained for the first four months of the current cotton year, it would follow that a total crop of about 1,825,000 bales may be anticipated. It is claimed, however, that during the present year the early receipts are in excess of the usual rates. The impoverished condition of the planters and other cotton growers, it is argued, has imposed upon them an urgent necessity for forwarding their crop to the market as early as possible. The credit facilities of denied former years are now them; and money has to be provided to pay wages and feed the laborers. On the other hand, it is true that the embarrassing operation of the cotton tax tended at first to impede the movement of the crop to the ports; but this obstruction was so promptly remedied that this can be scarcely considered as counter-vailing the pressure to realize growing out of the causes indicated. How far the movement up to January 1st may have varied, on these accounts, from the rates of ordinary years, it must be left for the reader to estimate. About a month ago two leading cotton firms of this city telegraphed to sixteen of their agents at the cotton ports for their opinion as to what proportion of the whole crop had then been received. Their replies, dated Dec. 24th to 28th, estimated the proportion variously at from one-third to two-thirds; the ratio at New Orleans and Mobile being stated at fully one-half. If these estimates were accepted, it would follow that a crop of less than 1,500,000 bales is to be anticipated; but, of course, they are mere opinions; and yet they probably indicate the views of the leading planters in those sections of the South. In this market the range of moderate opinion upon the total yield may be taken, we think, as between 1,500,000 and 1,800,000 bales.

In estimating the bearing of these probabilities of a reduced supply upon the value of raw cotton, it is necessary, also, to take into account

the prospects of the supply Great Britain is likely to draw from other countries than the United States. With reference to the chief sources of Eastern production, there appears to be a general disposition to moderate the estimates entertained a few weeks ago. The grounds of this change of opinion in England are thus alluded to by our London correspondent, under date of Jan 5 :

With regard to the cotton trade, it may be observed that although spinners may purchase with extreme caution, the present range of prices must at least be maintained, owing to the small quantities of the staple afloat, and the prospect, therefore, of a small importation for some weeks to come. So far as is at present ascertained, the supply of East Indian cotton afloat is under 100,000 bales, while at this date in 1866 the quantity known to be on passage to Europe was nearly 290,000 bales ; and with regard to America, it appears that only 32,000 bales are on passage, against 60,000 bales in 1866. These figures are certainly in favor of continued firmness in the cotton trade ; but, as successive advices from India report steadily increasing shipments of cotton to Europe, spinners will evidently continue to operate cautiously in concluding sales. At latest date, viz., Dec. 21, the shipments of cotton from Bombay were progressing at the rate of about 16,000 bales per week, being a considerable increase as compared with the previous weeks ; and, as the season for new cotton had just been commenced, there seems to be every probability that with the continuance of favorable advices from Liverpool the exports from Bombay will be on a much more extensive scale. These advices, we know, have been favorable to growers of cotton in India ; hence there can be but little doubt as to the nature of our future advices from the East. In the course of a month or six weeks we shall most probably observe a large increase in the quantity of East Indian cotton afloat. In Egypt the crop of cotton has certainly been productive of disappointment. We were led to anticipate a crop of 600,000 bales, but subsequent advices have reduced the estimate to 400,000, and finally to 300,000 bales. That the crop is by no means so extensive as was announced at the commencement of the season may be considered certain ; but in the present position of the cotton trade, statistics relating to the probable production of cotton in any country should be well authenticated before full reliance is placed upon their correctness. It may, however, be looked upon as certain that the crop of cotton in Egypt is superior to last year, although there is so considerable falling off from the statements made at the opening of the season, with regard both to the extent and quality of the crop. Our latest advices from Alexandria report fair shipments of produce from that port since November 1, but as compared with 1864 there is a falling off of about 7,000 bales.

These combined considerations require a material curtailment of estimates of the total supply from all sources entertained two or three months ago. The reduction may be roughly represented by 250,000 bales for the United States, 250,000 for India, 250,000 for Egypt, and 50,000 for Brazil, making a total curtailment of original estimates amounting to 800,000 bales. These aspects of the supply have produced a strong disposition among holders of cotton to stand firmly for higher prices ; a feeling not shaken by the movement among domestic manufacturers for further curtailing their production of goods.

Surveying the general condition of the world's markets, it would seem reasonable to expect an active demand for cotton goods during the present year.

The political status of Germany is settled, without, at least, any prospect of immediate disturbance, and with less commercial derangement than might have been expected ; and the Eastern question which, until recently, loomed darkly in the horizon, presents no features likely to disturb the larger markets for cotton manufactures. The tone of business in Manchester is assuming a more hopeful aspect, and spinners do not show any reluctance to buy cotton freely at current prices.

Among those best acquainted with the condition of the South and with the disposition of cotton growers, the opinion is strongly cherished that the next crop will be more limited than has been generally expected. There can be no doubt that the profits upon the present crop are too insignificant to encourage an extension of this branch of production. The unwise tax upon cotton bears with great severity upon the growers, and has swallowed up nearly all the profits upon the crop. The burthen of testimony goes to show that, with the enhanced costs of labor, and the uncertainty about its employment, it is impossible, upon an average, to raise cotton for less than 25 cents per pound; and adding to this the tax of 3 cents and the now heavy charges for transportation, it is clear that there is no inducement to lay out any large breadth of land in the production of the staple. The Southern crops of cereals, during the past year, have fallen below the wants of that section, and breadstuffs have consequently ruled high; it is, therefore, reasonable to suppose that this year more attention will be given to grain culture and less to cotton-growing; and the more so as those crops are less subject to suffer from the risks of the seasons and the irregularity connected with the present condition of the new labor system.

The conclusion indicated by a survey of all these considerations appears to favor very decidedly the prevailing firmness of the cotton market.

NATIONAL AID TO STEAMSHIP LINES.

On New Year Day six steamers arrived at this port from Europe, all owned by European capitalists. Yet this is no unusual circumstance, for our entire trade with the Old World promises to be very soon carried on under foreign flags. The recent sale of the Arago and Fulton would appear to augur unfavorably for efforts to continue even one American line of ocean steamers in existence.

It is not our purpose, at the present time, to discuss the reasons for this. They are many and varied; and yet, even if all other difficulties were removed, assistance would still be required from our Government before an American line of steamers could successfully compete with the old established European companies. Without such aid capitalists will not enter upon so hazardous an experiment. We are aware that it is the legitimate province of Government, strictly speaking, to administer justice and protect its citizens. The establishment of industrial pursuits and other legislation of analogous character can hardly be said to be comprised within its purposes. It is to be presumed that every citizen will exercise his talents and energy in the calling which shall be to him the most remunerative, without demanding of the Government to make it so. But it is not always practicable to carry on public affairs strictly upon technical principles. Exigencies arise which materially complicate these matters. True statesmen understand this, and provide accordingly.

The pursuits of commerce are absolutely essential to render other departments of industry remunerative. The facilities of market are vital to

all enterprise. Acting on this principle, the British Government, in former years, were in the habit of granting large subsidies to steamship lines. The purpose was to seize the whole of the mail traffic, and with it the lucrative trade accompanying it in the North Atlantic. Accordingly, Mr. Cunard first began his enterprise under the express stipulation of receiving from the Treasury the annual subvention of £80,000. He soon found the amount insufficient, and the Government raised it to £100,000; but this was not enough, and the sum was finally fixed at £145,000 a year—equivalent to ten shillings and eightpence sterling per mile. The fact was recognized at the outset that the immense capital required to start the line of steamers from Europe to America, and the expenditure necessary for its maintenance, would not be covered by any commercial returns to be expected from it. Private enterprise could not afford to enlist in so great an undertaking. Only by subsidy could it be accomplished; and this measure was warranted by broad considerations of its importance to the British nation.

Afterward the West Indian Steam Packet was established, receiving the still greater subvention of £240,000 a year. The line to Australia was also in its turn fostered in a like manner. As, however, the profits of the lines have become adequate for the remuneration of the companies for the capital invested, it has become proper that the subvention should cease. The British nation has been amply compensated for the expenditure, from the commerce which the establishment and operating of these steamship lines has secured to the country.

In order to establish successful rivalry on the ocean, the French Government found it necessary not only to bestow a heavy subvention on the General Trans-Atlantic Mail Steamship Company, but to lend to it outright the sum of five million dollars. At this very time Prussia is also seeking to extend her power on the ocean. A bill pending before the House of Deputies proposes a large subsidy to steamship lines for mail service, and in addition a loan of \$5,000,000 to enable the company to go into successful operation. The Geetsemunde, just acquired from Hanover, is the entrepot which it is contemplated to establish, and the proposed line is to ply between that point and the city of New York.

We see that the Commercial Navigation Company, of the State of New York, recently memorialized Congress for legislation to enable the operating of an American Transoceanic line of mail steamships. The proposition which the company submitted was, to establish a line of seven sea-going steam vessels, two of two thousand and five of three thousand tons, and all to be constructed in the best manner, with all known modern improvements in model, machinery and outfit, so as to secure the greatest possible speed and safety. The proposed outlay for construction exceeds six million dollars. The purpose, it is said, is to secure a speed of twelve to fourteen marine miles an hour, with a draught of water which shall not exceed sixteen feet when loaded; and in the plan of construction to have three decks, one extending the entire length of the vessel, giving passengers every possible comfort and convenience. These steamships would constitute a United States line for the transportation of the mails. The memorial asks Congress for the passage of a law authorizing the Postmaster-General to arrange and contract with the company for the weekly conveyance of the foreign and European mails of the United

States between New York and Liverpool for a term not exceeding twelve years. The times of sailing, and other details, are proposed to be arranged between the company and the Postmaster-General.

At the present time no mail, no dispatch from the Federal Government to a minister, or other foreign agent, or from such agent to the Government, no diplomatic agent of the United States crosses the ocean, except on foreign vessels and under a foreign flag. These facts, it is claimed, should be allowed due weight when considering this application.

The compensation asked by the company for carrying the mails is the postage. In view of the fact that an outlay of about eight million dollars will be required for the building, equipping and running such a line of steamships as is proposed, this company ask in addition that the Postmaster-General shall be authorized to guarantee the payment of their bonds to the amount of about \$3,000,000. To assure the government against loss by this transaction, it is proposed that the company shall give to the United States a first lien upon the steamships, their tackle, apparel, machinery and furniture, which will be worth double the amount of the obligations so assumed; also that the Postmaster-General shall receive all the moneys paid for postage on the mails so carried, applying the amount to liquidate the interest on the bonds, and retaining the excess for payment of the principal till the entire indebtedness shall have been extinguished. The bonds so guaranteed, it is further proposed, shall be issued in such amounts and at such times during the construction of the steamships as the Postmaster-General shall determine, and shall be made payable at the expiration of twelve years, bearing interest at five per cent., gold, to be paid semi-annually. The company also propose, as additional security against loss on the part of the Government, to cause each of the steamships to be insured, by marine insurance companies of good standing, against the dangers of the seas, in such sums as shall be equivalent to the amounts of the bonds so guaranteed and owing; the policies to be made payable to the order of the Postmaster-General. In the event of war, the Navy Department shall be empowered to take the vessels and use them as transports or ships of war, for an equitable sum, or may purchase them for the public service, if the Secretary of the Navy shall deem proper.

We refer to this memorial thus minutely because it appears to be the most favorable project of the kind now before Congress; not because we approve of all its details. The estimate upon which the proposal is based supposes the average amount received annually for postage to be \$450,000, which would be more than sufficient to meet the interest and principal of the bonds guaranteed. By reference to the report of Postmaster-General Randall for the fiscal year ending June 30, 1866, the cost of transatlantic mail service, which is performed almost wholly by foreign steamship lines, was \$525,307 46, the total amount for the four years ending with that date being \$1,634,710. Within the last fiscal year our European postal communication has been increased at the unprecedented rate of 25 per cent.

There has existed in this country for years a strong feeling against subsidies. The experiment of the Collins Line evidently operated to strengthen this prejudice. But when we consider what Great Britain has done to promote the navigation of the ocean by means of steam vessels, as

well as the advantages which have been thus secured for her merchants and manufacturers, it would seem to be time for such prejudices to cease. Our Government has actively taken the initiative in the case of the line of subsidized mail packets now plying between New York and Rio de Janeiro, in which case the contract obligates the United States to pay the company for twelve round trips each year the annual sum of \$150,000 for ten years, the Imperial Government of Brazil also paying a like amount. The Pacific Mail Steamship Company has also obtained a contract to make twelve round trips between San Francisco and China each year, for the annual subsidy of \$300,000, for and during the term of ten years, beginning on the first day of January, 1867.

In accordance with this principle, enterprises have been fostered by Congress for the purpose of developing the resources of the country. Aid has been granted by lending the credit of the Government to two Pacific Railroad companies, the bonds of the companies having been endorsed by the Government at the rate of \$16,000 per mile, and only a second instead of a first lien having been required. Large grants of public lands have been made to the new States, to facilitate the construction of railways. Every argument that can apply in defense of those measures would seem to be of equal force in regard to the bestowment of governmental aid to steamship lines. Such lines would increase the volume of commerce and direct it to our own ports, making our home industry remunerative, and so developing the resources of the Government.

We trust that Congress will give the most careful attention to this matter. If the patronage of our Government can be employed judiciously to bring Europe, the ports on the Mediterranean and the countries lying on the Indian and Pacific oceans, into frequent communication with the United States, it should be done. It is for the interest of this country. Upon the direct question of guaranteeing the bonds of the Commercial Navigation Company, or private obligation of any kind, however, we are hardly clear. In times past, whenever public or private matters have been mixed up, the public interest has often been the loser. Nevertheless, there is in this case security offered, and the prospect of an ulterior advantage to counterbalance the risk of any such loss. When private enterprise promises and almost guarantees to initiate an era of commercial prosperity for the country, it is, we will admit, the time, if ever, for the Government to lend its aid.

LONDON STOCK EXCHANGE—HISTORICAL AND CRITICAL.

(Continued from Vol. 55, p. 416.)

The events at the close of the 18th century, when an exhausting war with France had to be sustained by numerous loans, stimulated and extended the rage of speculation, and it then became requisite for stock-brokers, in order to steer with anything like safety, and to operate with as much success as the hazardous nature of the pursuits in which they were engaged would allow, to unite themselves more closely and to conduce

their affairs in a more systematic manner. They therefore formed a committee composed of the most influential persons then exercising the calling of stock-brokers, and opened a subscription for the erection of a building to be devoted to their special accommodation. Upon the first of May, 1801, the first stone of Capet Court was laid, deriving its name from Sir William Capet, Lord Mayor of London in 1504. The founders of the structure dissenting from the adage which affirms that "good wine requires no bush," thought it necessary that an inscription should be placed in a conspicuous part of the building, and the following one, in which common sense and the rules of grammar are slightly violated, received the approval of the members, who were soon to quit their humbler quarters in Sweeting's Rents for a temple more worthy to be dedicated to the worship of the auriferous deity who dispenses wealth:

"At this era, the first year of the union between Great Britain and Ireland, the Public Funded Debt had accumulated in five successive reigns to £552,730,924. The *inviolable faith* of the British Constitution *sanc-tion and sec-nd* the property embarked in this undertaking. May the blessing of that constitution be sacred to the latest moment!"

If this inscription had been framed by Mrs. Malaprop herself, that renowned lady could scarcely have displayed a greater confusion of ideas, or given a sample of more barbarous phraseology.

The stock-brokers having now become more genteel and aristocratic, were no longer admitted upon the payment of a paltry sixpence, but were elected by ballot, and each member was required to pay an annual subscription of £10. As a proof of the progressive success of the body, we may observe that a more costly and spacious building was erected in 1854, in Capel Court, for the accommodation of the members of the Stock Exchange.

There are nearly 900 members belonging to the corporation, which is governed by a committee of thirty of the most influential persons connected with it, and who are elected annually by ballot, upon every Lady Day. The committee exercises the most arbitrary control over the members, and is absolute in the regulation of what is designated the affairs of "the House"; but it is only fair to mention that if in its decisions it at any time is guilty of partiality or oppression, its judgments against offenders, whether requiring them to forfeit their pecuniary obligations or punishing them by exhibiting their names upon the fatal and dishonoring *Black Board*, or in visiting them with suspension of their functions, or even expulsion from the Stock Exchange, are rarely, if ever, complained of, and their justice may be presumed from the silent submission with which they are received. Any applicant wishing to become a member of the Stock Exchange must be recommended by *three persons* who have been themselves members of it for not less than two years, and who have *fulfilled all their engagements*; and it is indispensable that each should enter into a security for £300 to be paid to the creditors of the individual whom they propose to be admitted should he be a defaulter within two years from his admission, and the liability is to continue for three years. One would imagine that this rule would amply suffice, not only to render the Stock Exchange extremely exclusive, but to constitute it really, in the strictest sense, a monopoly, for as it is a maxim that "two of a trade seldom agree," it is not to be supposed, unless in the case of a relative or

some valued friend, that three stock-brokers would be found eager to introduce a new competitor for business, and even secure him for three years as a probationary speculator. There are, however, numerous other rules framed in order to prevent any aspiring person entering Capel Court, to operate in it to his advantage, with a slender purse, and several penal provisions that Draco himself would have applauded, to run down and punish defaulters. After every precaution which the ingenuity of stock-brokers could be supposed capable of displaying to guard against any untrustworthy person being admitted, the chairman is required to put these inquisitorial interrogations to the parties who recommend, and who are willing to become security for a candidate seeking admission:—

"Has the applicant ever been bankrupt, or compounded with his creditors, if so, within what time and what amount of dividend has been paid?"

"Would you take his cheque for £3000, in the ordinary way of business?"

"Would you deal with him in £5000 or £10,000 consols for time?"

By the 163d rule it is declared that whenever the creditors of a defaulter shall represent to the committee, *or when it shall otherwise appear to the committee* that his conduct has been dishonorable, it has the right to cause his name to be *offized on the black board* in the Stock Exchange. It may not be uninteresting to state that the "black board" is an instrument of exposure and punishment, was first brought into requisition in 1787, and the cause which led to it is thus announced in the *Whitehall Evening Post*:—"There was no less than twenty-five 'lame ducks' who waddled out of the alley, whose deficiency is estimated at £250,000." The exit of so large a batch of stock-brokers, and for so formidable a sum, alarmed the members, who deeming it expedient that some measure of summary justice should be adopted to strike terror into the hearts of their dishonest associates, determined to try as an experiment the efficacy of the "black board," which was found to answer the purpose so well that it has ever since been used as an effectual mode for the punishment of the delinquents of Capel Court. It is to be regretted that during the railway mania of 1845-46, when the most disgraceful practices were considered justifiable for the purpose of "rigging the market," the committee of the Stock Exchange did not exercise that penal power which it has so often employed in the case of defaulters, for the protection of the public which suffered terribly from the dishonorable conduct of a class of unscrupulous stock-brokers.

For the information of a great majority of persons, it may be necessary to observe that though outside the Stock Exchange all who transact business in it are denominated stock-brokers, a very important distinction exists within its walls—the members being divided into two classes, namely, broker and jobber. The former can alone purchase or sell for his principal, whether that principal be a public body or private individual, and is prohibited from operating upon his own account; while the latter is a dealer in stocks, and can of course, vend or buy as it may suit his interest.

When the broker comes upon 'Change the jobber is expected to meet him, and to be ready to start business by offering to purchase stock from him, or to sell it to him. It requires the broker to be wary and circumspect, as he is surrounded by jobbers directly when he appears in the great mart of negotiation; and should they be able to ascertain whether he comes to buy or to vend, he will be at their mercy afterwards, and

have to submit to hard terms, particularly if he desire to dispose of stock laboring under a bad reputation. The jobbers are frequently persons having comparatively but small capital, sometimes not exceeding £300 or £400, yet for the bare chance of obtaining the slight profit of $\frac{1}{4}$, they will with alacrity operate for thousands. The *die infestus*, the awful "settling day," however, arrives, which has so often caused fear and trembling upon the Stock Exchange; and should the jobber then be unable himself to deliver the amount of stock he has agreed to hand over to the broker, he must procure it at any sacrifice or evade his contract by having recourse to an illegal shift, termed technically "an option," and failing to extricate himself in this attempt, he will be forced to make his retreat as a defaulter from the scene of his speculations. Three ominous knocks with a wooden hammer by the porter of the Stock Exchange, who, with sonorous voice, announces that Mr. Walker or Mr. Flight, or whatever else his name may be, regrets he is unable to meet his engagements, briefly reveals the fact of the reverses of "the lame duck," who has just been obliged to waddle off. In a season of panic, like the memorable and terrific "settling days" in 1835 and 1847, when Spanish stock dropped five and ten per cent. at a time, and bubbles daily exploded, the downfall of one giant jobber brings scores of his companions in Capel Court to grief and destruction. The broker, too, treads a stormy and perilous path when his principal fails to be prepared with the sinews of war, which will often occur in foreign transactions, and during stormy times. To avoid danger, the wise course obviously would be to steer clear of that sort of speculation which approximates to gambling; but were this salutary rule observed, little business would be done in the Stock Exchange; and a body comprising nearly a thousand members, not to speak of the "outsiders," who are numerous and increasing, would be left destitute of remunerative occupation.

The broker for what may be called ordinary or legitimate business, when the investment is small, is not adequately paid for his trouble and loss of time; and it must be allowed to be a hardship upon him that whether he had to buy £100 or £50,000 consols he has to waste a considerable portion of the day in effecting the transfer, often receiving for his labor not more than 2s 6d or 5s. It is the "time bargains" which cause the Stock Exchange to flourish, and bring grist to the mill of speculators, high and low. We should state that "time bargains" are purchases and sales of stock for future and fixed periods, regulated by the committee, and that they have their origin in this way. The books of the Bank of England are closed for five or six weeks at the beginning of June and December to allow time for preparing the warrants for the dividends, which are always paid on the following month.* No one can buy or sell during his interval but upon the condition that the transfer is to be made upon "the opening day." This, it will be seen, can occasion but little inconvenience or disadvantage to either buyer or seller, as regards English stocks, which are subject in ordinary times to slight variations, but one necessary suspension of business in one description of securities has been made an excuse or cloak for launching all the wildest speculations in foreign and other stocks and shares on which vast sums of money are often lost and won.

MERCATOR.

* This system has been changed, but time bargains are now legal transactions.

THE PUBLIC DEBT OF VIRGINIA.

The public debt of the Commonwealth of Virginia, on the 30th September last, amounted to \$34,977,131 38, without including \$1,951,596 21, being interest funded into principal and redeemable generally at ten years.

The details, so far as returned in the Report of the Second Auditor are as in the following statement :

Certificates and Bonds issued prior to Jan. 1, 1852.....	\$10,300,352 03
Deb. created since January 1, 1852:	
Between January 1, 1852 and January 1, 1853.....	\$2,979,087 00
do do 1853 do 1854.....	4,605,916 87
do do 1854 do 1855.....	4,112,154 37
do do 1855 do 1856.....	1,504,403 09
do do 1856 do 1857.....	2,663,570 10
do do 1857 do 1858.....	680,960 00
do do 1858 do 1859.....	1,866,000 00
do do 1859 do 1860.....	1,454,600 00
do do 1860 do 1861.....	3,621,325 00
do do 1861 do 1862.....	2,146,270 00
do do 1862 do 1863.....	131,380 03
do do 1863 do 1864.....	41,350 00
do do 1864 do 1865.....	18,100 00
do do 1865 do 1866.....	5,900 00
do do 1866 and Sept. 30, 1867.....	4,900 00
Debt created under Act, March 2 (funded interest).....	\$1,961,596 41
Aggregate Public Debt, Oct. 1, 1868.....	\$36,928,894 50

Aggregate Public Debt, Oct. 1, 1866.....	\$36,928,894 59
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The following, which is a recapitulation of the above debt, shows also the character of the Securities of which it is composed and the rate of interest:

1. Under acts prior to April 17, 1861, viz.:

6	per cent.	certificates,	registered debt.....	\$91,896,293 88
5	"	"	" " " "	108,000 00—\$22,004,298 88
6	"	"	coupon bonds.....	11,118,000 00
5	"	"	" " " "	1,865,000 00— 12,973,000 00
Total public debt under acts prior to April 17, 1861....				\$34,977,298 88

Total public debt under acts prior to April 17, 1861... \$34,977,298 88

2. Under act of March 2, 1866, (funding) viz :

[illegible]

Total public debt under act of March 2, 1866.....	\$1,031,596 21
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Total public debt, October 1, 1866.....	\$36,928,894 59
------------------------------------------------	------------------------

The issues under the act of March 2, 1866, are payable—in 1868, \$71,033 91; in 1869, \$757 50; in 1876, \$1,350,900 00; in 1886, \$489,300 00; and in 1900, \$39,600.

Of the Coupon debt, embraced in the above schedule, viz.: \$12,937,000, there is payable—in Richmond, 6 per cents., \$63,000; in New York 6 per cents., \$10,900,000; and in London, 5 per cents., (£373,000) \$1,865,000. The remainder, \$145,000, is accounted for as "lost at sea."

The bonds issued since January 1, 1852, have all to run 34 years after date. The interest on the sterling debt will amount on the 1st January, 1867, to £93,250 or \$466,250. This will be funded on the 1st July, 1867, in bonds of the Commonwealth, through the agency of the Messrs. Baring.

The following is a statement of subscriptions by the State to Joint Stock Companies and appropriations for State improvements upon which payments have been made, showing the amount authorized by law, the amount paid and the amount remaining to be paid September 30, 1866 :

	Authorized.	Paid.	To be Paid.
16 Railroad Companies.....	\$22,704,523 22	\$18,584,928 28	\$4,119,594 94
18 Navigation do	12,277,290 11	12,234,116 30	43,173 81
10 Plank Road do	465,800 00	389,755 41	66,044 59
161 Turnpike do	2,874,540 37	2,371,009 10	303,531 27
12 Bridge do	106,100 00	104,461 66	1,628 34
30 State Roads	1,868,098 40	1,525,828 83	42,269 57
Total.....	\$40,096,352 11	\$35,520,109 59	\$4,576,242 52

The total of investments of the Fund for Internal Improvement, chiefly railroad, bank and canal stocks and bonds of the State, is \$5,178,233 33; but of this very little is at present available.

Besides the public debt proper, the Commonwealth has guaranteed the bonds of several corporations, viz: bonds of the James River and Kanawha Canal Company to the amount of \$314,955; of the Chesapeake and Ohio Canal Company \$500,000; of the city of Petersburg, for the construction of the South Side Railroad, \$323,500; of the Virginia Central Railroad Company \$109,000; of the Richmond and Danville Railroad Company \$200,000; of the city of Wheeling \$500,000, and of the Alexandria Canal Company and Corporation of Alexandria \$15,000—total, \$1,953,455.

There is also an issue of \$200,000 of State stock to the James River and Kanawha Canal Company, issued under an act passed March 18, 1862, the validity of which is questioned.

From the foregoing it will be seen that the funded debt of the State amounted, on the 30th September, 1866, to \$36,928,994 59. To this must be added the interest accrued and not funded up to Jan. 1, 1867, amounting to \$6,237,391 93—making the total funded and unfunded debt, at the date mentioned, \$43,166,286 52. This sum does not embrace the above mentioned bonds of corporations, guaranteed by the Commonwealth, amounting to \$1,953,455, but it includes \$1,997,315 46 standing on the books of the Second Auditor in the name of the Commissioners of the Sinking Fund for the liquidation of the public debt.

The Auditor does not think that the magnitude of this debt need excite apprehension as to the ability of the State to pay it. But he adds that is due to the creditors to state "that the losses of the Commonwealth, growing out of the war, have been of such magnitude as, in my opinion, to render it impossible to pay full interest on the public debt for several years to come."

With this prelude he proceeds to unfold his plans for relief. They are two in number: the first proposes the consolidation of the debt, and the second, the scaling of the debt down to 66 $\frac{2}{3}$ per cent., the 33 $\frac{1}{3}$ per cent. excised to be taken up or not, as the result may be, by West Virginia. It will be seen that the first project is not very unlike the plan adopted by Missouri.

"Supposing the debt consolidated," says the auditor, "I propose to pay the interest upon it according to a graduated scale rising from three to nine per cent. per annum, and running through a term of thirty years, thus: for the first four years, 3 per cent.; for the next four years, 4 per cent.;

for the next four years, 5 per cent. ; for the next six years, 6 per cent. ; for the next four years, 7 per cent. ; for the four years, 8 per cent. and for the last four years, 9 per cent. The scale averages, it will be observed, six per cent. per annum ; and I may state here that the basis upon which it rests is the prospective appreciation of the taxable property of the State, and is so arranged that only a moderate tax will be required while the State is recovering from its prostrate position. The Auditor is of opinion also that the Sinking Fund should resume its functions contemporaneously with or before the issue of the new certificates and all the means of the commonwealth properly assignable thereto, be turned over to the commissioners of that fund to be used as the law directs.

The theory and nature of the scaling system proposed may be best understood from the author's own words. He says :

" I beg leave to call the attention of the General Assembly to a plan which has been suggested for *reducing the public debt*, which claims attention from the number and respectability of its advocates. I will state it briefly. From figures (given in another part of this report) it will be seen that one-third of the whole population of the State in 1860, nearly one half of its territory, and about twenty-five per centum of the value of its real estate, are now included within the territory of West Virginia. Assuming one-third as a proper proportion of the debt to be paid by that State, it is proposed to scale the whole debt by paying two-thirds ourselves and leave the remaining third to be adjusted between the creditors of this State and West Virginia. This would, I think, be an equitable ratio of settlement. But I should be unwilling arbitrarily to assign any portion of the debt to West Virginia, or to assume for ourselves any specific part of it, until the Legislature of that State can have an opportunity of appointing commissioners to confer with ourselves upon all unadjusted matters of account between the two States. Should West Virginia fail to appoint commissioners, or should those commissioners, when appointed, decline to assume any equitable portion of the public debt, then, I think, we would be fully justified in resorting to the expedient of scaling the debt according to the propositions indicated above."

There is very little probability of the Legislature adopting this plan. The debt is certainly large, and the taxation required will be heavy ; but we incline to the belief that any burden will be endured by the people of the State that it is possible for them to endure, before they will consent to even partial repudiation. Previous to the war the bonds of Virginia sold readily at 96@98. They are now sold at 40@42.

We learn that Governor Pierpont has submitted to the bondholders a proposition which is in substance to sell to the bondholders the States interest in the railways for a like amount of State of Virginia bonds, giving or receiving the differences. He divides the roads as the James River runs, giving to the buyers all the roads on the south side of James River, which are five feet (with the exception of twenty-two miles), in one transfer, the State to pass such laws as will give the new shareholders all equal rights with the present shareholders ; and he proposes to make a like sale of all the State's railway shares and bonds on the north side of the river. The gross receipts on the five railways on the south side of James River last year were about \$1,600,000, and are about six hundred miles. Three-fifths of the capital in most of these roads is owned by the State, besides mortgages of \$2,700,000.

THE LIVERPOOL COTTON MARKET FOR 1866 AND THE RETURNS OF THE BANKS OF ENGLAND AND FRANCE.**HOW AFFECTED BY THE LONDON PANIC.**

The year 1866 in Great Britain opened with flattering prospects. Notwithstanding the high rate of discount, an extensive, healthy and remunerative trade was fully anticipated. One of the leading features then most apparent was the resumption of trade with ourselves. During the closing months of 1865 we were very extensive buyers of goods in English markets, and it was chiefly owing to this activity that considerable stringency was produced in the London money market. The first week of the present year the minimum rate of discount at the Bank of England was raised to 8 per cent., inducing much more caution on the part of merchants, so that matters soon assumed a more satisfactory position. On the 22d of February the rate was reduced to 7, and on the 15th of March to 6 per cent. But this improving position suddenly received a serious check. During the early months of the year there had been an uneasy feeling respecting the Joint Stock Discount Company, and at a meeting of the proprietary, in January, it was decided to make a call of £5 per share; eventually it was decided to wind up the concern. The failure of this company, however, would probably have passed away without more than ordinary comment had it not been apparent that several other institutions were similarly situated, and the fear on the part of many therefore that this collapse was but the commencement of a series of failures. Great uneasiness was consequently felt, and this was increased by an advance in the bank rate on the 8th of May. The previous tendency of money had been of a favorable character, and yet on a Tuesday the Directors had deemed it advisable to raise their quotations to the extent of one per cent. The fact of the bank rate being raised on any day except Thursday is a certain sign that the position of affairs is unsatisfactory, and such proved to be the case on this occasion. For some time the public had shown much curiosity to ascertain the reason why the shares of Overend, Gurney & Co., limited, with the handsome dividends they had paid, should be at so low a price (10 dis.) in the market. The inquiries commenced in the Metropolis, extended to the provinces, and at length Overend, Gurney & Co's shares became almost unsaleable. The Directors of this Company foresaw that without extensive and prompt aid there was no alternative but to close their doors. It was at the time that the bank-rate was raised to 7 per cent. that the Directors of Overend's were endeavoring to raise sufficient money to enable them either to reclaim their position or to delay the period when they must succumb. A meeting of the leading bankers was held, but in consequence of the very unfavorable state of the accounts, and the little prospect of surmounting their difficulties, the Bank of England and the other banks declined to grant the accommodation required. Hence there was no alternative left to the Directors but to announce their failure. This announcement was made on the 10th of May at the close of business, and the excitement produced by so important an event was, as our readers will remember,

intense. Unlike the Joint Stock Discount Company, the name was famous, the private firm of Overend, Gurney & Co. having, for a long series of years, been considered one of the most respectable and wealthy in the Kingdom. The suspension having occurred on the afternoon of Thursday, the 10th of May, the effect of the failure was not felt until Friday, the 11th, and those who witnessed that day will probably never forget the excitement which prevailed. The run upon the banks was very great; the strain upon the resources of the bank of England was heavy in the extreme, but, fortunately, all the principal banks met their payments promptly, and some, indeed, kept their establishments open two hours beyond the usual period. Nevertheless, many institutions were compelled to succumb, viz. the English Joint-Stock Bank, the Imperial Mercantile Credit Association, and the private firm of Peto, Betts & Crampton, including many others of lesser note. The failures of the year may be considered to reach a total of about one hundred, of which seventy were of considerable importance. The course of this monetary trouble, and its effect, may be seen in the following table we have prepared, showing the position of the Bank of England each week in the year. From the commencement of May to the period when the rate was reduced to 5 per cent. the figures are extremely interesting. It will be observed that on the 30th of May the strain upon the establishment was the greatest, and that the Bank was almost compelled to make use of the liberty, granted by Government, to suspend their charter. Such a course, however, was unnecessary, and as the year closes the bank holds a position of very great strength. The returns are as follows:

RETURNS OF THE BANK OF ENGLAND FOR 1866.

Week ending	Circulat'n.	Public De posits.	Private Deposits.	Private Securities.	Bank Notes.	Reserva.	Bank rate.
Jan. 3	£22,221,687	£5,759,437	£14,727,958	£24,737,687	£13,106,183	£5,979,748	8
" 10	21,901,410	5,473,638	16,231,568	22,331,194	12,887,829	6,091,334	8
" 17	21,841,009	5,270,495	14,385,309	19,999,599	13,031,834	6,275,684	8
" 24	21,377,195	5,453,945	14,130,091	19,423,203	13,070,760	6,748,380	8
" 31	21,481,974	4,145,939	13,590,353	19,414,046	13,165,430	6,752,255	8
Feb. 7	21,106,537	4,549,904	12,544,200	18,467,681	13,056,993	6,690,793	8
" 14	21,106,537	4,930,382	12,176,119	18,583,983	13,222,935	7,182,874	8
" 21	20,973,521	5,048,77	12,591,493	18,020,460	13,222,935	8,260,945	7
" 28	21,174,296	5,448,781	12,7 2,313	18,812,117	13,066,574	8,198,474	7
Mar. 7	21,163,605	6,057,725	12,700,583	19,305,399	14,050,804	8,816,079	7
" 14	20,906,227	6,304,819	12,723,104	19,052,576	14,237,613	8,804,643	6
" 21	21,038,449	6,821,602	12,478,479	19,392,302	14,455,522	8,819,923	6
" 28	21,007,934	6,375,045	13,332,000	21,879,302	14,362,597	7,740,667	6
April 4	22,776,473	7,692,911	13,351,065	22,094,787	14,251,947	7,619,339	6
" 11	22,517,172	4,067,018	14,968,004	19,382,831	14,251,118	7,188,763	6
" 18	22,744,025	4,045,459	13,971,790	18,976,716	13,889,112	6,585,217	6
" 25	22,538,214	4,417,147	13,294,641	18,501,858	13,856,776	6,694,661	6
May 2	23,349,619	4,922,990	13,507,305	20,390,395	13,504,140	5,936,140	7
" 9	22,906,660	5,781,327	13,515,537	20,844,217	13,156,140	5,811,745	8
" 16	22,906,660	5,781,327	13,515,537	20,844,217	13,156,140	5,811,745	9
" 23	20,650,817	5,986,219	13,690,672	20,943,269	12,823,906	1,202,8 0	10
" 30	20,020,693	5,994,761	13,790,517	21,057,406	11,857,736	1,38 216	10
June 6	20,562,525	6,184,512	20,467,060	20,447,463	11,878,775	1,569,960	10
" 13	20,020,693	6,649,515	20,306,689	21,771,845	13,278,961	1,896,041	10
" 20	20,571,446	7,136,969	20,127,347	21,270,271	14,491,896	3,515,550	10
" 27	20,091,874	7,265,344	21,171,257	21,206,162	14,851,130	4,441,330	10
July 4	25,353,303	7,065,351	20,819,750	20,632,810	15,042,304	5,213,409	10
" 11	20,497,624	6,800,251	9,939,607	20,749,551	14,576,949	4,065,080	10
" 18	25,999,211	7,726,729	21,472,485	22, 26,534	13,993,470	3,800,640	10
" 25	26,176,629	2,161,726	19,590,339	27,76 249	13,645,975	3,224,595	10
Aug. 1	25,927,644	2,517,449	18,516,769	24,742,316	13,716,392	3,453,739	10
" 8	26,226,888	3,169,580	17,738,551	26,567,368	13,793,340	3,253,390	10
" 15	25,605,018	3,160,456	17,660,244	26,156,555	13,692,429	3,530,229	10
" 22	26,294,029	3,853,525	18,125,230	25,224,317	14,150,456	4,610,866	8
" 29	24,797,728	3,411,639	18,763,474	24,888,166	13,504,220	5,590,105	7

Week ending.	Circulat'n.	Public Deposits.	Private Deposits.	Private Securities.	Bullion.	Reserve.	Bank rate.
" 29.....	24,502,436	4,137,048	18,473,450	23,937,484	15,892,080	6,933,510	6
" 12.....	24,806,518	4,778,487	17,462,900	23,225,787	14,195,212	6,973,967	5
Sept. 5.....	24,124,264	5,164,768	17,308,397	22,451,941	15,974,777	7,502,729	5
" 19.....	23,932,216	5,551,717	16,921,755	22,123,558	16,223,516	7,906,816	5
" 26.....	23,626,680	6,389,183	17,023,547	21,751,954	10,729,262	8,679,597	4½
Oct. 3.....	24,095,963	6,169,451	17,209,655	22,941,313	16,576,137	7,549,597	4½
" 10.....	24,586,250	6,266,199	17,454,673	22,149,550	14,477,506	7,494,341	4½
" 17.....	24,718,769	3,392,934	18,778,528	21,344,486	16,133,363	7,046,828	4½
" 24.....	24,353,932	3,218,291	17,784,056	20,553,187	16,377,553	7,659,648	4½
" 31.....	24,426,273	3,921,153	17,559,471	20,073,558	16,773,596	7,948,141	4½
Nov. 7.....	24,249,592	4,375,714	17,150,191	19,320,191	16,591,606	8,320,576	4
" 14.....	24,369,584	5,145,772	16,687,127	19,061,238	17,144,677	8,677,762	4
" 21.....	23,526,425	6,830,843	17,495,349	19,154,731	17,752,414	9,908,599	4
" 23.....	23,003,209	6,161,157	18,252,705	19,186,008	18,175,570	10,688,820	4
Dec. 5.....	23,218,411	6,837,733	17,740,867	19,895,744	18,237,044	10,523,869	4
" 12.....	22,586,403	7,888,241	16,425,651	19,436,741	18,517,470	11,458,675	4
" 19.....	22,591,312	8,070,235	16,161,056	19,825,202	18,816,714	11,715,222	3½
" 26.....	22,333,976	8,706,361	18,552,224	20,241,266	19,247,869	12,514,494	3½

The return of the Bank of France also presents many features of interest to the mercantile world, and the particulars for the present year are therefore subjoined. The distrust existing in England shows its effect here in an increase of confidence, and as the reserve of the Bank of England was reduced the bullion in the Bank of France began to increase.

RETURNS OF THE BANK OF FRANCE FOR 1866.

Week ending	Bullion.	Discounts.	Bank rate.	Week ending	Bullion.	Discounts.	Bank rate.
Jan. 4.....	£16,747,092	£28,989,824	5	July 5.....	£20,729,508	£30,425,300	4
" 11.....	15,942,823	29,672,232	5	" 12.....	20,291,040	2,561,180	4
" 18.....	15,503,172	28,718,464	5	" 19.....	22,867,856	28,630,776	3½
" 25.....	15,655,124	29,626,324	5	" 26.....	27,567,392	27,722,328	3½
Feb. 1.....	15,716,389	28,805,871	6	Aug. 2.....	18,275,156	27,553,328	3½
" 8.....	16,244,004	28,173,064	5	" 9.....	9,021,000	26,744,104	3½
" 15.....	16,820,014	27,574,608	4	" 16.....	29,233,700	25,493,476	3½
" 22.....	17,710,856	2,427,424	4	" 23.....	29,763,120	24,939,392	3½
Mar. 1.....	16,975,510	24,606,012	4	" 30.....	29,803,776	2,731,744	3
" 8.....	18,469,892	23,175,538	4	Sept. 6.....	28,876,716	2,404,012	3
" 15.....	18,906,004	23,223,524	4	" 13.....	29,353,724	24,108,000	3
" 22.....	19,307,550	21,275,808	3½	" 20.....	29,116,776	24,008,068	3
" 29.....	20,233,672	21,382,904	3½	" 27.....	29,097,504	23,762,264	3
April 5.....	20,192,956	23,265,792	3½	Oct. 4.....	28,143,52	24,775,36	3
" 12.....	20,149,028	23,105,164	3½	" 11.....	27,248,712	24,924,572	3
" 19.....	20,118,272	23,64,896	3½	" 18.....	26,618,392	25,391,360	3
" 26.....	20,701,952	23,943,008	3½	" 25.....	26,308,132	25,802,416	3
May 3.....	21,075,530	25,160,920	3½	Nov. 2.....	25,614,852	25,822,064	3
" 10.....	21,869,952	26,575,392	4	" 9.....	25,460,424	26,165,504	3
" 17.....	20,585,048	28,002,783	4	" 16.....	25,334,340	15,840,752	3
" 24.....	21,466,104	28,469,352	4	" 23.....	25,867,858	26,487,396	3
" 31.....	22,523,908	30,438,196	4	" 30.....	26,612,880	26,362,310	3
June 7.....	21,183,128	23,144,512	4	Dec. 6.....	27,167,984	24,825,088	3
" 14.....	24,523,320	23,731,352	4	" 13.....	27,704,694	25,081,748	3
" 21.....	25,060,908	28,739,336	4	" 20.....	28,45,274	25,808,860	3
" 28.....	25,984,912	29,068,044	4	" 27.....	28,560,984	26,193,972	3

The course of the Liverpool cotton market during the year is also of interest in this connection. In great part the effect of the crisis on this staple was anticipated—a dull unsettled trade at Manchester preceding by some weeks these monetary troubles. The direct and immediate result, however, is seen in a decline of about 6d. in the prices of Middling Uplands from April 12 to May 10; while the unsatisfactory state of business at Manchester since that time, which has prevented any decided recovery, may be stated as a more remote effect, but as working the greater injury to the trade. The following table shows the movement for two years, and is so full it needs no explanation:

THE COURSE OF THE LIVERPOOL COTTON MARKET FOR 1865 AND 1866.

	Import.		Export.		Consumption.		Stock.		Mid. Up'd.	
	1866.	1865.	1866.	1865.	1866.	1865.	1866.	1865.	1866.	per lb. per lb.
From January 1—	bales.	bales.	bales.	bales.	bales.	bales.	bales.	bales.	bales.	
To January 4.....	46,144	67,311	12,975	10,850	35,110	402,680	496,260	26	20	
" 11.....	86,487	113,109	56,502	31,090	67,510	510,290	392,200	26	19	
" 18.....	106,355	186,789	18,171	49,227	44,440	509,340	417,710	24	19	
" 26.....	128,276	248,547	24,323	60,913	70,900	499,360	424,460	24	19	
—February 1.....	155,771	298,554	80,761	76,637	182,640	500,040	418,200	22	18	
" 8.....	227,298	371,477	86,502	101,394	225,890	536,660	429,310	22	19	
" 15.....	271,582	482,667	39,433	111,928	262,120	556,970	442,970	20	19	
" 22.....	321,066	463,292	43,487	122,284	306,280	575,660	418,680	18	18	
—March 1.....	389,440	508,144	45,758	134,268	290,020	589,340	460,860	18	18	
" 8.....	404,476	558,681	51,407	161,018	280,960	588,410	366,750	16	18	
" 15.....	442,008	596,744	56,206	173,210	280,760	571,110	340,250	16	18	
" 22.....	499,161	735,905	61,911	185,298	301,270	603,030	420,470	16	19	
—April 5.....	520,831	895,146	67,345	186,101	326,730	543,570	552,783	14	18	
" 12.....	538,974	1,084,188	73,383	208,675	358,430	571,980	663,840	14	18	
" 19.....	606,879	1,099,379	79,161	229,375	381,000	604,330	676,220	13	18	
" 26.....	629,523	1,291,306	85,559	240,563	423,180	644,180	819,390	13	14	
—May 3.....	642,301	1,367,166	91,521	253,964	488,160	704,890	821,950	14	16	
" 10.....	704,696	1,383,733	102,149	272,552	522,060	740,320	784,630	14	15	
" 17.....	763,068	1,534,584	118,428	300,296	569,390	778,620	869,930	14	12	
" 24.....	800,074	1,768,731	154,328	338,091	665,440	884,780	970,500	14	12	
—June 7.....	892,222	1,531,487	180,620	342,473	728,250	928,260	1,005,350	15	12	
" 14.....	920,874	1,920,185	204,223	352,367	766,910	983,930	998,770	16	13	
" 21.....	946,835	2,034,218	234,086	368,593	816,070	1,040,550	1,039,930	17	14	
" 28.....	955,266	2,091,113	246,749	381,314	870,070	1,080,620	1,042,660	19	13	
" 25.....	1,014,532	2,139,217	289,424	397,207	876,480	1,142,890	958,670	19	13	

THE COURSE OF THE LIVERPOOL COTTON MARKET FOR 1865 AND 1866.

	—Import—	—Export—	—Consumption—	—Stocks—	—Midd. Up'd—
	1865. bales.	1865. bales.	1865. ba ca.	1865. bales.	1865. per lb. per lb.
From January 1—	1,085,937	311,952	893,390	364,230	19½
To July 5.....	2,233,006	416,769	1,207,740	967,570	14
" 12.....	1,184,890	328,398	920,260	861,070	19
" 19.....	2,266,044	398,771	968,390	832,700	19½
" 26.....	1,155,923	442,528	1,317,700	878,170	13½
—August 2.....	2,344,820	347,537	1,000,360	822,390	14
" 9.....	1,188,125	460,624	1,373,800	882,880	19½
" 16.....	1,252,117	356,342	1,014,820	847,580	19
" 23.....	1,397,363	482,851	1,062,740	873,710	19
" 30.....	2,492,480	507,790	1,447,980	898,510	13½
—September 6.....	1,479,368	538,012	1,044,810	470,390	18½
" 13.....	1,497,630	562,676	1,143,920	430,060	18½
" 20.....	2,678,842	607,790	1,211,410	866,740	13½
" 27.....	1,568,011	592,928	1,058,500	411,760	18½
—October 4.....	1,591,548	608,782	1,276,400	361,140	18
" 11.....	2,701,176	631,308	1,315,650	427,390	18½
" 18.....	1,718,425	443,987	1,400,370	849,870	19
" 25.....	1,743,982	465,255	1,461,800	671,960	13½
" 31.....	2,854,878	649,178	1,806,850	774,480	14½
—November 7.....	2,916,487	665,309	1,551,800	261,500	21½
" 14.....	2,939,557	679,980	1,697,680	271,960	24
" 21.....	3,011,247	719,854	1,632,270	692,720	15
" 28.....	2,975,896	745,894	1,647,580	787,040	24½
—December 5.....	3,011,247	745,894	1,632,270	692,720	24½
" 12.....	3,129,087	783,816	2,015,110	201,970	22½
" 19.....	2,017,324	793,722	1,669,710	308,099	15
" 26.....	2,073,063	580,018	2,051,260	663,160	20½
" 3.....	3,148,748	809,442	2,100,180	323,070	14
" 10.....	3,179,209	594,999	2,129,160	306,360	20½
" 17.....	3,207,392	618,544	1,727,680	291,430	14
" 24.....	3,248,545	838,775	1,757,450	618,590	19½
" 31.....	3,286,729	847,201	1,785,560	399,830	14
—January 7.....	2,250,456	620,243	2,227,490	604,710	14
" 14.....	2,304,758	630,245	1,831,350	578,180	21½
" 21.....	3,805,364	642,222	2,270,150	590,100	13½
" 28.....	2,945,101	872,992	1,877,750	839,230	21½
—February 4.....	2,418,599	657,192	2,339,200	848,090	14
" 11.....	3,864,290	872,992	1,915,860	862,750	21½
" 18.....	3,368,758	887,638	1,947,930	442,280	21
" 25.....	3,409,020	693,096	1,947,930	368,490	20½
" 3.....	2,539,708	898,615	2,446,600	426,750	20½

THE NEW ROCKET FOR SHIPWRECK SERVICE.

Some time about the close of the last century an English artillery officer who had risen from the ranks, Lieutenant Bell, conceived the idea of establishing a communication between a stranded vessel and the shore by projecting from a mortar a shell filled with lead, and having a "deep sea line" attached. Experiments were made with the apparatus in 1791, before a committee of the Society for the Encouragement of Arts, Manufactures and Commerce. An account of these experiments, which were perfectly successful, is given in the "Repository of Arts" for 1808. But in spite of this success, Lieutenant Bell failed from some cause or another to give practical effect to his invention, or even to obtain for it any general notoriety. In 1811 a committee of artillery officers was assembled at Woolwich to report on a similar though independent proposal of Captain Manby, and by this committee Lieutenant Bell's claim to priority in the matter was distinctly and fully recognised. But the merit of having been the first usefully to apply the invention and to press it into the public service is undoubtedly due to Capt. Manby, with whose name, indeed, the scheme is too exclusively associated. In the year that we have named (1811) the invention was formally adopted, and an address was moved in the House of Commons praying that the Prince Regent would be graciously pleased to order the apparatus to be stationed on different parts of the coast. This is the origin of our present system of communication with stranded vessels, which is now established at some 350 coastguard stations, and by means of which a very large number of lives are annually saved. What that system is, and how it has attained its present perfection, may have some interest now that the season of stormy nights and wrecks has once again fairly set in.

During the half-century or more which has elapsed since the subject was first mooted, the attention of a number of inventors has been anxiously directed towards the possible improvement of the means of effecting a communication of the kind in question, and all sorts of ingenious contrivances have been proposed. Colonel Delvigne employed for the purpose a howitzer instead of a mortar, thereby reducing the angle of fire and in consequence the length of line to be carried, and he enclosed a portion of the line within the projectile. Captain Jerningham proposed an anchor of a peculiar form, as a means of hauling a life-boat through a surf. Mr. Greener and Mr. Trengrouse each used a rocket to carry the line, the former discharging his rocket from a light harpoon gun, the latter making use of a small, and therefore comparatively feeble, "signal" rocket. Lieutenant Nares suggested the employment of a kite, and kites are manufactured for the purpose by the Shipwrecked Mariners' Society, at London Bridge. A kite is open to the obvious objection that it can only be useful for conveying a line *from* a ship on a lee shore to the land, and as in the confusion and sudden excitement of a wreck the kite would not often be forthcoming in working order, the proposition is scarcely practicable. Other plans have been suggested, such as an arrow, and a lead and line. But the advantages presented by rockets over other means of establishing a communication were so conspicuous as to induce Mr. Carte and Mr. Dennett to prosecute experiments, with a view to the

employment of very much more powerful rockets than those which had been used by Trengrouse. The Carte and Dennett rockets were Congreve or war rockets with lines attached, and differed from one another mainly or only in the position of the stick. Some ten or eleven years ago Dennett's rocket apparatus was formally adopted, and 9-pounder rockets of his construction, having a mean range of about 250 or 260 yards, were issued to various coastguard stations, and a code of rules for their employment was officially established. During this period the gradual suppression of the Manby shot has proceeded, though some are still to be found at a few stations, and they are even occasionally manufactured. During this period, too, the great superiority of rockets to shot, or indeed any other projectile, has been practically established. They are more portable, as also is the apparatus from which they are fired, a point of great importance when the uncertainty as to the exact spot on which a wreck is considered; they carry their own illuminating agent, and are thus independent of the fusees which are necessary to indicate the path of a shot fired on a dark night; they do not require so long a line as a shot projected at a high angle of elevation from a mortar; the nature and duration of the propelling force renders the line carried out by a rocket less liable to be broken than a line carried by a shot; and finally, line rockets are more accurate than line shot, owing principally to the fact that the deflection caused by the action of the wind upon the line is in a great measure corrected by the well-known tendency of the rocket to fly up in the "wind's eye."

The range attained by the Dennett rockets was, however, inconsiderable as compared with what was desired, and Mr. Dennett designed a "double rocket"—two rockets side by side, like a pair of horses in a carriage—by which the line would be borne to a greater distance. In 1862 some experiments took place at Woolwich with Manby's and Delvigne's shot against Dennett's rockets, single and double. "The result," as we learn from the official report, "was a general conviction on the mind of everybody present, and shared by M. Delvigne, of the great superiority over either of the other plans." The Manby and Delvigne shot fired from mortars gave ranges of 200 and 185 yards respectively; the single rockets ranged 240 yards, and the double rockets 370 yards, "with great steadiness of flight, and with less length and weight of line in proportion carried out than the mortars fired at 45 degrees." A range of nearly 300 yards was obtained with M. Delvigne's shot from a howitzer, *but the line broke three times.*

Mr. Dennett's double rockets were open to the objections that simultaneous ignition of both rockets could not always be depended upon, and a percentage of failures was the result; secondly, the strain thrown upon the line by the combined force of a pair of rockets was sometimes greater than it was calculated to stand, and fractures of the line not unfrequently took place. With regard to this last objection, it might be supposed that a simple remedy could be found in the employment of a thicker line; but as any increase in the thickness of line entails a corresponding loss of range, its strength is necessarily limited. The satisfaction of these two antagonistic conditions—the extension of the range and the employment at the same time of a sufficiently strong line—is indeed one of the chief difficulties with which the inventor of a "life-saving apparatus" has to

contend. The problem appears to have been solved, and the objections to the Dennett double rocket system to have been overcome, in the rocket which has recently been definitely adopted by the Board of Trade. This rocket has been designed by Colonel Boxer; and its chief feature consists in the placing of one rocket in front of the other, the two being contained in the same case and forming to all appearance a single rocket. By this arrangement when the first or hinder rocket is exhausted the front rocket becomes ignited, and by bringing a fresh force to bear, extends the range nearly double the distance obtainable with a single rocket. At the same time the strain upon the line is at no time greater than what would be due to the employment of a single rocket. In fact, the advantages of the double and single rocket systems are retained without the disadvantages of either; and the problem of a long range with little chance of fracture of the line is satisfactorily solved. The range obtained with these rockets is from 370 to 400 yards. Their cost is little more than one half that of the Dennett double rocket. The reports made by the different coastguard officers to whom the rockets were supplied, in the first instance for experiment, were so favorable that they were last year formally adopted in supersession of Dennett's rocket, and are now being supplied at the rate of 3,000 annually. This rocket is undergoing trial in France, and a rocket of similar construction, designed by Major General Konstantinoff, is employed for the same purpose in Russia.

The main object of line shot and rockets is to establish a communication between the shore and a stranded vessel, but the principle is evidently applicable to a variety of other purposes, such as throwing rafts or bridges across rivers in the absence of boats, throwing suspension bridges across ravines or mountain torrents for the passage of troops and *material*; in naval matters it might be useful in landing through a surf, laying out anchors, or taking a vessel in tow by casting a grapnel over a buoy fast to line in heavy weather.

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, TOBACCO, PROVISIONS, ETC.

The British Board of Trade returns for the month of November, and the eleven months ending November, have now been received, and the figures made public show that the trade of Great Britain for last year was very extensive, and much in excess of former periods. This result is, in a very considerable measure, due to the great trade carried on between ourselves and the United Kingdom, for we find that the value of our cotton imported in the ten months was £31,250,000, against £2,534,000; and the value of the exports of British and Irish produce and manufactures from Great Britain to United States ports £24,225,000, against £14,844,700 last year. These items alone account for some portion of the great increase in the trade of Great Britain last year, and on looking carefully at the returns we observe that, with South America and Canada, the outward trade of the United Kingdom has also been very great. The crisis appears to have had a somewhat unwholesome effect on the trade of Great

But from these totals, a considerable deduction must be made for exports. These, in the eleven months, reached a total of 3,221,690 cwts., being 970,000 cwts. in excess of the corresponding period in 1865. In the month of November, however, the shipments from Great Britain were confined to 189,240 cwts., against 212,103 cwts. in 1865. Figures, showing the shipments in the eleven months ending November 30, are annexed :

EXPORTS OF COTTON FROM THE UNITED KINGDOM IN ELEVEN MONTHS

	1864.	1865.	1866.
To Russia.....cwts	222,346	272,013	379,269
Prussia.....	15,141	44,074	77,177
Hanover.....	49,663	14,668	5,618
Hanse Towns.....	481,796	608,708	762,735
Holland.....	401,621	862,464	548,978
Other Countries.....	882,021	1,077,617	1,492,923
Total.....	3,052,778	2,398,559	3,221,690

The computed real value of the cotton imported in the ten months ending October 30 was :

	1864.	1865.	1866.
From United States.....	£1,604,378	£2,534,993	£31,351,466
Bahamas and Bermudas.....	3,994,267	1,279,838	46,816
Mexico.....	2,428,008	2,599,739	28,561
Brazil.....	3,650,451	2,935,654	4,249,252
Turkey.....	1,575,791	919,069	517,354
Egypt.....	11,488,506	10,616,019	7,065,017
British India.....	29,188,930	18,555,442	22,030,060
China.....	5,174,553	1,509,235	151,281
Other countries.....	2,119,081	2,920,046	1,736,133
Total.....	£62,098,915	£43,899,564	£67,175,970

BREADSTUFFS.

So far as we ourselves are concerned, the British trade returns are by no means encouraging in this department. In November, the import of Wheat from the United States was only 35,153 cwts., and of Flour only 23,834 cwts. Flour continues to be received from France, including small quantities of Wheat; but the bulk of the importations is from Russia. The following statement shews the imports of cereals into the United Kingdom in eleven months :

WHEAT.

	1864.	1865.	1866.
From Russia.....cwts	4,711,510	7,127,624	7,765,207
Prussia.....	4,592,989	5,034,806	3,770,641
Denmark.....	710,181	605,691	481,577
Schleswig, Holstein, & Lauenburg.....	249,113	250,789	180,546
Mecklenburg.....	620,498	603,653	685,323
Hanse Towns.....	484,398	453,692	765,617
France.....	554,427	1,623,602	2,854,594
Turkey, Wallachia, and Moldavia.....	445,966	562,541	427,494
Egypt.....	366,870	10,063	22,043
United States.....	7,826,020	1,015,531	475,443
British North America.....	1,164,627	224,816	8,789
Other Countries.....	406,579	931,651	2,661,266
Total.....	23,142,061	18,557,261	20,547,066
Barley.....	4,544,223	7,099,943	7,053,423
Oats.....	4,979,896	6,927,608	8,017,221
Peas.....	1,041,897	521,266	1,008,927
Beans.....	842,327	826,771	1,017,534
Indian corn.....	5,626,627	6,222,446	12,226,499

FLOUR.

	1864.	1865.	1866.
From Hanse Towns..... cwt	807,37	222,889	277,754
France.....	1,659,604	2,356,943	3,390,692
United States.....	1,777,417	226,526	249,418
British North America.....	472,760	166,663	32,396
Other Countries.....	113,267	156,070	462,966
Total.....	4,290,314	3,129,091	4,403,136

For some time past there has been an attempt in England to create excitement in the corn trade by spreading reports that large quantities of wheat were being taken by French buyers. Our London correspondent has, on several occasions, stated that these reports were wholly without foundation truth, and the return showing the exports of breadstuffs from Great Britain confirm the truth of those observations. Several cargoes have, indeed, been taken from off the coast, but the aggregate export is small. The following statement shows the export of foreign and colonial wheat in the eleven months:

	1864.	1865.	1866.
Wheat..... cwt	40,748	29,513	46,813
Flour.....	88,603	20,250	18,015

in addition to which about 200,000 cwt. of English wheat and flour have been shipped to all quarters.

PROVISIONS.

The supply of pigs in England is much larger than in former years, and fresh pork is selling at low prices. Butter, bacon, hams, lard and most other provisions still command high quotations. The imports in eleven months were:

	1864.	1865.	1866.
Bacon and hams, cwt.....	990,758	694,974	598,283
Beef, salt, cwt.....	270,275	193,406	161,513
Pork, salt, cwt.....	180,016	145,271	155,876
Butter, cwt.....	886,589	187,776	932,646
Cheese, cwt.....	673,858	781,677	698,257
Eggs, number.....	307,461,738	340,909,300	407,861,380
Lard, cwt.....	208,571	107,625	222,105

LIVE STOCK.

The cattle plague having broken out afresh in several parts of the country, much anxiety is still felt in Great Britain with regard to the supply of butchers' meat. The supply in the country, however, has decidedly increased; but meat, though below the recent high rates, is still a dear commodity. The Government orders relating to the cattle traffic of the kingdom are still in force, and are likely to remain so for some time to come. Several ports in Holland are still prohibited from sending stock to the British markets, owing to the existence of the plague in that country. The following are the imports of live stock in eleven months:

	1864.	1865.	1866.
Oxen, bulls and cows..... head	141,773	196,090	196,135
Calves.....	44,673	43,926	37,061
Sheep and lambs.....	412,469	763,064	763,630
Pwine and hogs.....	68,777	117,766	71,068

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES.

The following statement shows the exports of all the principal articles of British manufacture to the United States in the eleven months ending Nov. 30:

	1864.	1865.	1866.
Alkali.....	\$244,771	\$219,299	\$200,886
Beer and ale.....	40,478	47,270	70,789
Coals.....	129,849	104,974	83,043
COTTON MANUFACTURES—			
Piece goods.....	1,632,685	2,414,200	2,867,557
Thread.....	179,495	189,701	318,521
Earthenware and porcelain.....	880,413	401,079	781,494
Haberdashery and millinery.....	745,514	809,810	1,055,140
HARDWARES AND CUTLERY—			
Kulves, forks, &c.....	111,097	142,933	294,890
Anvils, vices, &c.....	85,163	86,648	95, 99
Manufactures of German silver, &c.....	254,163	312,233	664,787
LINEN MANUFACTURES—			
Piece goods.....	2,308,847	3,097,554	3,837,513
Thread.....	176,661	183,339	214,858
METALS—			
Iron—Pig, &c.....	209,917	350,800	341,756
Bar, &c.....	703,601	200,346	534,500
Railroad.....	800,067	887,874	775,841
Castings.....	14,073	4,811	18,251
Hoops, sheets and boiler plates.....	218,170	93,979	316,629
Wrought.....	244,813	146,667	207,737
Steel—Unwrought.....	462,947	309,193	621,706
Copper, wrought.....	14,983	38,348	42,388
Lead, pig.....	231, 83	140, 54	168,993
Tin plates.....	627,618	865,937	1,362,629
Oilseed.....	47,074	53,835	354,606
Salt.....	34,506	59,823	103,103
SILK MANUFACTURES—			
Broad piece goods.....	73,349	67,015	121,464
Handkerchiefs, scarfs, &c.....	17,270	2,907	8,013
Ribbons of silk only.....	23,183	36,942	84,043
Other articles of silk only.....	75,459	108,518	94,341
Other articles mixed with other materials.....	37,567	41,093	73,108
Spirits, British.....	11,079	14,799	17,913
Wool.....	37,343	19,410	13,700
WOOLEN AND WORSTED MANUFACTURES—			
Woolen cloth.....	699,538	484,618	863,703
Carpets and druggets.....	278,601	329,597	759,041
Shawls, rugs, &c.....	61,309	29,731	43,149
Worsted stuffs of wool, and of wool mixed with other material.....	2,006,970	3,321,240	3,371,421

TOBACCO.

The imports, consumption and exports of tobacco in the eleven months were:

IMPORT.			
	1864.	1865.	1866.
Stemmed.....lbs.	6,752,955	13,534,054	14,409,537
Unstemmed.....	\$7,883,183	25,840,526	23,578,043
Manufactured and snuff.....	5,892,790	2,965,374	2,706,540
CONSUMPTION.			
Stemmed.....lbs.	11,688,028	11,156,836	12,876,989
Unstemmed.....	23,256,281	23,993,260	23,929,697
Manufactured and snuff.....	705,353	763,064	814,410
EXPORTS.			
Stemmed.....lbs.	743,975	253,549	533,743
Unstemmed.....	11,781,486	14,977,768	13,605,894
Manufactured and snuff.....	3,118,655	1,364,517	1,906,343

MOBILE AND OHIO RAILROAD.

The last reports issued by the officers of this company were for the year 1865. Although the figures are not as recent as we could desire, still they supply the materials from which we may form a just estimate of the condition of the company and their property.

The fiscal year 1865 is divided into two parts by the 15th of May, on which date Confederate money ceased to be current, and was supplanted by the National currency. The following shows the earnings and expenses of the periods separately, and the totals for the full year as compared with the year 1865:

	Before May 15.	After May 15.	Total 1865.	Total 1864.
Earnings.				
From passengers	\$224,966 74	\$435,306 93	\$660,273 67	\$1,543,870 03
Freight.....	279,506 31	894,541 38	1,174,047 69	2,013,794 25
Express.....	10,356 26	89,127 99	99,484 25	72,673 69
Other earnings (unpaid).....	668,391 11	105,699 51	774,090 62	89,135 69
Total.....	\$1,183,220 42	\$1,534,676 81	\$2,707,896 23	\$3,674,496 99
Disbursements.				
For repairs of road	\$315,813 10	\$216,247 23	\$532,060 33	\$637,136 25
“ machinery.....	200,616 55	196,059 70	396,676 25	471,810 45
For conduct'g transp'n.....	390,354 19	287,611 22	677,965 41	1,172,590 63
Total disbursements.....	\$906,683 84	\$699,898 14	\$1,606,581 98	\$2,281,596 33
Net revenue.....	\$276,536 58	\$834,777 67	\$1,101,314 25	\$1,392,900 61

The “other earnings” are accounted for as follows: Those prior to May 15 are a legacy from the Confederate Government for transportation and mails, and those after May 15 for express \$13,699 51, and accounts against the United States Government (unadjusted and estimated) \$92,000.

The Mobile and Ohio Railroad extends from Mobile northward through Alabama 63 miles, Mississippi 270 miles, Tennessee 118½ miles, and Kentucky 20½ miles, or from Mobile, Ala., to Columbus, Ky., a distance of 472 miles, with a branch to Columbus, Miss., 14 miles—making the total length of its track 484 miles. Its earnings from May 15 to December 31, (of 7½ months,) as above shown, were \$1,524,677, or at the rate of \$2,439,543, or \$5,040 per mile per annum. The cost of operating the road for the last 7½ months of 1865 was (as above) \$699,898, or at the rate of \$1,019,826 or \$2,107 per mile per annum; showing net \$2,933 per mile, or 58.2 per cent. of the gross earnings.

These earnings, however, were not available for dividends, and only to a small amount for interest, but were diverted to the restoration and repairs of the road and machinery. Between May 1, 1865, and January 1, 1866, there was expended in this direction a very large amount as will be shown in the general revenue account of which the following is an abstract:

ABSTRACT OF RECEIPTS AND EXPENDITURES.

(From May 1, 1865 to January 1, 1866.)

RECEIPTS.	DISBURSEMENTS.
Capital Stock.....	Reconstruction of Roadway.....
Transportation.....	“ of Depots.....
Sales of Cotton.....	Rolling Stock purchases.....
Machinery, balance due.....	Materials.....
Interest Scrip.....	Interest on bonds.....
Local balances.....	Transportation.....
	Expenses on cotton.....
	Change Bills redeemed.....
	Interest Dividend.....
	Sundries.....
	Cash on hand.....
Total.....	Total.....

The Mobile and Ohio Railroad is a new road and was completed as a through line just as our Southern troubles commenced. The last rail was laid April 1, 1861, the same day that the federal forces arrived at and occupied Cairo. From that date trains were run regularly through, and the through business would no doubt have been large, but the embarrassment resulting from the examination of passengers, baggage and freight for contraband articles, gradually reduced it, until it was entirely stopped by the occupation of Columbus by the Confederate forces. From that time to the close of the war the road was virtually operated under the direction of the Confederate authorities. The destruction which necessarily resulted to the rolling stock and roadway from the contending armies and repeated raids, and from the natural wear and tear—accelerated by the impossibility of obtaining the supplies necessary for repairs—may be stated as follows :

	January 1, 1860				May 1, 1865			
	a	b	c	d	a	b	c	d
Locomotives.....	59	8	..	1	15	4	88	8
Passenger cars.....	26	1	..	..	11	7	..	..
Baggage cars.....	11	..	..	..	3	2	..	..
Freight cars.....	731	63	..	..	281	68	..	..

The letters *a b c d* refer to the condition of the rolling stock at date—*a* indicates "in running order"; *b* "under repairs"; *c* "out of order but good", and *d* "exploded and condemned."

The damage to the roadway consisted in the destruction of the bridges, trestle-work and cross-ties from Okolona to Union City, a length of 184 miles; the burning of 19 warehouses and station buildings; the destruction of tools and stationary engine in the Whistler repair shops, at the evacuation of Mobile, and the wearing out and burning of 37 miles of rails. In addition to this, there were 21 miles of rails burnt on General Sherman's raid, in February, 1864, besides the destruction of the warehouses, water stations, bridges and trestle-work on 48 miles of road, &c.

At the close of the war the road was in fair running condition from Mobile to Okolona, and passable for trains to Corinth, but there were only 15 locomotives, 231 freight and 11 passenger cars to operate it. The Government, however, had a large quantity of rolling stock at Nashville, Memphis and Columbus, &c., which they decided to dispose of. The company took advantage of the opportunity thus offered, and made such purchases that, on the 1st of April, 1868, they had on hand as follows :

Locomotives—in order 40, under repairs 13, out of order 33, and exploded and condemned 8.
 Passenger and second class cars—in order 30, and under repairs 4.
 Freight cars—in order 471, and under repairs 25.

Materials had also been ordered for 100 platform and 50 box cars, and their construction been commenced at the Whistler repair shops.

The total estimated damage and loss to the company by the war is summed up thus :

Damage to the road by the war.....	\$1,810,937
Loss by the failure of the Confederates.....	5,223,561
Total.....	\$7,083,498

The last item consists chiefly of ledger balances and unadjusted claims

against the Confederate Government, and the possession at the last of large amounts of Confederate bonds and currency.

The financial condition of the company on the 1st of May, 1866, as exhibited on the general balance sheet, is summed up as follows :

RECEIPTS.		EXPENDITURES.	
Capital stock.....	\$3,588,299 85	Construction and rolling stock..	\$11,247,563 63
Bonds and State loans.....	7,661,831 01	Donated lands, surveys, &c.....	37,427 50
Land sales.....	275,953 38	Bonds and State loans paid off ..	2,828,984 12
Transportation from commence- ment.....	15,860,896 83	Interest paid.....	2,433,974 54
Requisitions—am't outstanding.	63,419 42	Paducah Branch superstructure..	114,894 08
Bills payable.....	642,656 69	Transportation.....	8,448,107 60
Individual balances.....	87,900 79	Dividend.....	142,932 00
Local balances.....	226,456 06	Sundries.....	3,671,529 70
Total.....	\$38,410,414 07	Total.....	\$38,410,414 07

Among the sundries are comprised large amounts of Confederate bonds, and dues from the C. G., also \$739,829 the cost of purchased cotton, &c., &c. The following is a statement of the condition of the bonded debt of the company on December 31, 1865 :

Description.	Payable at	Total Issue.	Unsold.	Red'm'd.	Outst'g.
8's, Income bonds of 1861.....	N. Y. & Mob.	\$1,000,000	\$142,400	\$711,400	\$146,200
8's, " " 1862.....	Mobile.	500,000	90,000	319,000	91,000
8's, " " 1863.....	"	1,000,000	525,400	168,800	306,800
8's, " " 1867.....	"	500,000	217,900	53,200	228,900
8's, " " (10 years).....	"	126,062	.....	50,719	75,343
8's, Sterling bonds of 1862.....	"	6,000,000	1,818,000	.....	4,187,000
6's, " " 1863.....	London.				
6's, Tenn. State b'ds of 1863.....	New York.	1,296,000	197,000	.....	1,099,000
Total amount.....		10,422,062	2,985,700	1,903,119	6,133,243

From this it would appear that that largest portion of the 8 per cent. income bonds have become due. The only mention of these, and the debt generally in the President's report is in the following words, which we transfer verbatim :

Our 8 per cent. income bonds, secured by collaterals, having matured, we propose to the holders to exchange sterling bonds for them *at par*. This proposition has been readily accepted, and a large portion of those bonds have been taken up by exchange, and the remainder are coming in rapidly.

The coupons on our sterling bonds held in this country not having been paid during the war, because the holders were unwilling to receive the only currency that could be had, we proposed to them to *fund* the matured coupons, including the two coupons that will fall due this year (1866,) giving them 8 per cent *ten-year dollar bonds*, called "interest bonds," counting each coupon taken off of sterling bonds at \$40. Said "interest bonds" to be secured by collaterals, making them perfectly safe ; the first coupon to be payable the 1st of May, 1867.

The financial plan here intimated is the *funding of coupons* now matured and that will mature this year, and the resumption of payment of interest on the 1st of May, 1867.

The coupons are coming in rapidly, and this proposition also seems to give general satisfaction.

NATIONAL FINANCES—RANDALL'S BILL.

LETTER FROM HONORABLE E. G. SPAULDING.

DEAR SIR: I am much obliged for the information contained in your letter, and I trust you will pardon me for the remarks I am about to make.

I have watched with a good deal of interest the various plans brought forward in Congress in relation to the National Finances and Amendments to the National Banking Law. Every business man in the country is on the look out to see what is to come next. Every one engaged in legitimate pursuits wants a fixed policy and steadiness in financial affairs, and yet all are under constant apprehensions, fearing that some scheme will be hastily passed by Congress which will derange monetary affairs, and upset all their business calculations. Many enterprises are postponed. The building of railroads, ships, warehouses, elevators, furnaces, and other manufacturing establishments are held in abeyance until it can be more clearly seen what is to be done with these schemes, and what is to be the future in regard to financial affairs.

It is obvious that this suspense and apprehension operates very unfavorably upon individuals as well as upon the revenues of the government. Congress in its official capacity has thus far acted wisely. It has not passed any of the individual schemes that have been brought forward. It has been content to "let well enough alone." It has refused to increase the national currency above \$300,000,000. It has not passed Mr. Randall's grand scheme of repudiating the faith of the Government with the National Banks, and turning the Treasury Department, in time of peace, into a great permanent machine for the issue of an irredeemable paper currency, when there is not the least necessity for it, and when all history proves it to be unwise as tending to retard the resumption of specie payments, and resulting in general financial disaster, bankruptcy and ruin, both to the Government and people. It has refused to pass the twenty pages of pending amendments to the National Bank Act, (House bill No. 771.) which, if passed, would make the law worse instead of better. In short, the Senate and House, as legislative bodies, have submitted to the introduction of these injudicious measures to be talked about, but as yet they have not been unwise enough to let any of them be passed into laws to further disturb existing arrangements under laws already passed, and which, up to the time of the meeting of Congress were operating very favorably, under a moderate contraction of the currency, in preserving a good degree of steadiness and uniformity in the money market, keeping business steady and prosperous, and enabling the Secretary of the Treasury to establish more certainly the public credit at home and abroad, and make a most favorable exhibit of the national debt. These are matters of great consequence to the welfare of the nation, and I sincerely hope that no hasty or indiscreet measures will be allowed to pass. The people of the country need rest, and in order to secure it I trust that Congress will hold a steady purpose, and not pass laws at one session to be repealed in the next. We are cursed with too much legislation, and I am gratified to see the present Congress holding back on all impracticable schemes.

The act of Congress passed on the 12th of April last, it seems to me, is a wise and judicious measure. It authorizes the Secretary of the Treasury to dispose of 5-20 gold bonds, and with the proceeds to retire six per cent. compound interest notes and the plain legal tender greenback currency and other indebtedness of the Government, but not to retire more than \$4,000,000 of greenbacks a month, or \$48,000,000 a year, but without restriction as to the amount of compound sixes that may be retired during any week or month. This law is discretionary with the Secretary of the Treasury. Power is given him to contract the currency, but he will no doubt use this discretionary power prudently, and not retire either greenbacks or compounds any faster than it can be done without materially disturbing the legitimate business of the country. His object will be in the future, as it has been during the past year, to keep a steady and uniform money market. This will be a necessity on his part to enable him to successfully carry on the fiscal affairs of the Government. Under a very stringent and panicky money market the 5-20 bonds would fall below par, thereby stopping conversion of 7-30s into the 5-20 bonds, and this in view of \$650,000,000 of 7-30s falling due between this and July 15, 1868, would embarrass and derange all the operations of the Treasury Department. The Secretary of the Treasury must therefore of necessity be moderate and discreet in contracting the currency under the law of the 12th of April.

The Secretary will, no doubt, by a moderate and prudent course of contraction, endeavor to keep the business and industry of the nation in a prosperous condition, in some degree check wild speculation, gradually reduce prices, and bring greenbacks and national currency near the specie standard. On this point the Secretary, in his last annual report, makes the following judicious remarks: "How rapidly the United States notes may be retired, must depend upon the effect which contraction may have upon business and industry, and can be better determined as the work progresses. No determinate scale of reduction would, in the present condition of affairs, be advisable. The policy of contracting the circulation of Government notes should be definitely and unchangeably established, and the process should go on just as rapidly as possible without producing a financial crisis, or seriously embarrassing those branches of industry and trade upon which our revenues are dependent." As the volume of currency is reduced it will increase in value, and as soon as the specie standard is reached the national banks will be obliged to redeem their circulating notes in specie. The Government can retire, whenever it seems best, from the field as an issuer of paper currency, and consequently will not be under the necessity of providing gold and silver to redeem it. The burden of redeeming the national currency in gold and silver will then be thrown exclusively upon the banks that issue it, and they will be required to keep the necessary reserves of coin for that purpose.

It seems to me that the act of the 12th of April contains all the power for contracting the currency which is necessary to bring the business of the country back to the specie standard, as it was before the rebellion. It may take three years, five years, or even ten years to accomplish that result. When the old uniform standard of gold and silver is reached, and prices and the business of the country are again based thereon, National Banks will take the place of the State Banks in the issue, cir-

circulation and redemption of the currency necessary to carry on the fiscal affairs of the Government and people. The Treasury Department will be relieved from a duty that was forced upon it as an imperative necessity during the war, and the Government left to perform its legitimate functions under the Constitution, the currency being thereafter regulated by the wants of trade and industrial pursuits.

It was never intended by the originators of the legal-tender acts that the issue of an irredeemable paper currency should ever become the permanent policy of the Government. In the opening speech I made in the House on the 28th of January, 1862, on the bill introduced by me, I said that "the bill before us is a war measure; a measure of necessity and not of choice, presented by the Committee of Ways and Means to meet the most pressing demands upon the Treasury, to sustain the army and navy until they can make a vigorous advance upon the traitors and crush out the rebellion. These are extraordinary times, and extraordinary measures must be resorted to in order to save our Government and preserve our nationality."

The credit of the Government, by the legal-tender act, was brought into immediate requisition, and in the most available form to provide ways and means for sustaining the army and navy to crush the rebellion. It was in effect a forced loan from the people to the Government, in a most perilous period in our history, and was justified mainly on the ground of imperative necessity. It was a temporary measure passed in a most pressing exigency, and should not be continued any longer after peace is restored, than seems to be necessary to conduct us safely back to that standard of value which is recognized by all the nations of the world.

In the speech to which I have above referred, I further said: "A suspension of specie payments is greatly to be deplored, but it is not a fatal step in an exigency like the present. The British Government and the Bank of England remained under suspension of specie payments from 1797 to 1821-2—a period of twenty-five years. Gold is not as valuable as are the productions of the farmer and mechanic, for it is not as indispensable as are food and raiment. Our army and navy must have what is more valuable to them than gold or silver—they must have food, clothing and the material of war. Treasury notes issued by the Government on the faith of the whole people will purchase these indispensable articles, and the war can be prosecuted until we can enforce obedience to the Constitution and laws, and an honorable peace be thereby secured. This being accomplished, I will be among the first to advocate a speedy return to specie payments, and all measures that are calculated to preserve the honor and dignity of the Government in time of peace, and which I regret are not practicable in the prosecution of this war."

The National Banking Law, passed to continue for twenty years, was intended as a permanent system. It was intended that it should take the place of the State Banks, in furnishing a solvent national currency of uniform similitude and value for the whole country. The arguments put forth in the last annual report of yourself and the Secretary of the Treasury, in favor of sustaining the National Bank currency, seem to me to be cogent and conclusive. I advocated the National Bank Law, not for any immediate relief it would give to the Treasury, but as a permanent system of currency and banking. In the remarks which I made in

the House on the day of the passage of the bill, I said, "that I should vote for it, not that I think it will afford any considerable relief to the Treasury in the next two or three years, but because I regard it as the commencement of a permanent system for providing a national currency that will, if wisely administered, be of great benefit to the people, and a reliable support to the Government in the future."

All the advocates of the Legal-Tender Act while it was pending in Congress, based their arguments upon the necessity of its passage as a temporary relief to the Treasury during the war, and not as a permanent policy of the Government. On the contrary, the National Banking Law was advocated as a permanent system of national currency and banking for the whole country. The State banks, in this and other states, especially the banks in the State of New York, gave up their State organizations with great reluctance. But in consequence of the law which taxed State circulation out of existence, the State Banks were obliged to come under the National Banking Law for self-preservation—a law which on its face was to continue for twenty years.

It has taken something over three years to put in successful operation about 1,650 National Banks under one system, and which are directly under the control and regulations of the officers of the Government at Washington. A few of the banks have but recently perfected their organizations and obtained from the Department their circulating notes. Before the ink is fairly dry on the last issue of National Currency we are startled with a bill reported from the Bank Committee in the House to emasculate and destroy this system of national banking. I say destroy it, for no man at all conversant with the advantages of private banking and its freedom from taxation and other restrictions, would consider it any inducement to remain under the inquisitorial supervision imposed by the National Banking Law, if the right to issue circulating notes is taken away from them. These banks have been organized in good faith by the stockholders under the national law, because, in the first place, State Bank circulation was killed by United States taxation, and in the next place great inducements were held out to them for a national circulation to continue twenty years. What a breach of faith on the part of the Government in holding out inducements to organize under this law, killing off the State Banks first, and then turning a short corner to kill off the National Banks, children of its own creation. Are all the rights which the stockholders of the banks have acquired under this law to be thus summarily disposed of? How many banks would have organized under this law if the stockholders had supposed that their rights to issue circulating notes would be taken away from them as soon as they were organized? Not one in a hundred, for the simple reason that there would be no inducement to come under the restraints of the national law without circulation.

It is said that these banks can continue to do business on their capital and deposits. This is no doubt true; but it could be much better carried on by the stockholders as private bankers, without the onerous taxation and restrictions imposed by the national law. The organization of State and private banks would be much better, larger latitude being given to operate, and much freer from inquisitorial examinations.

If this bill now pending in the House is passed and becomes a law, it

will pretty effectually use up the national banking system. It has taken about four years to build it up, and within three years it will be so far destroyed as to make it no object for stockholders that can organize into private banking companies to remain in the emasculated and restricted condition in which they will be placed.

What security can men have for investing their money and basing their business calculations under a national law? The insecurity and scandal that will attach to such hasty and inconsiderate legislation will deter all prudent men from placing too much reliance upon a law of Congress passed at one session, organizing a great system of national policy, to be emasculated or repealed before it gets fairly into operation. It looks too much like confiscating the property of individuals under the pretence of creating a sinking fund to pay off the national debt.

I hope the Senate and House will carefully consider this measure in all its bearings before they pass a law involving such important consequences in regard to its breach of faith in destroying the acquired rights of the stockholders in these banks, and the disastrous consequences likely to follow the issue of Government paper money as a permanent policy.

Yours very truly,

E. G. SPAULDING.

To HON. H. R. HUBBARD,

Comptroller of the National Currency, Washington.

BUFFALO, Jan. 28, 1867.

RAILROAD EARNINGS FOR DECEMBER AND THE YEAR.

The gross earnings of the specified railroads for the month of December 1865 and 1866 comparatively, and the difference (increase or decrease) between two periods, are exhibited in the following statement:

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$475,723	\$368,531	Dec. \$107,192
Chicago and Alton.....	236,894	283,413	Inc. 46,519
Chicago and Great Eastern.....	89,564	102,963	Inc. 13,394
Chicago and Northwestern.....	616,226	693,679	Inc. 82,443
Chicago, Rock Island & Pacific.....	231,731	223,450	Inc. 719
Erie (including Buffalo Division, but not in 1866, incl. Can. & E. M. R.R.).....	1,534,916	1,044,033	Dec. 490,883
Illinois Central.....	518,088	53,000	Inc. 11,913
Marietta and Cincinnati.....	105,767	111,665	Dec. 5,898
Michigan Central.....	323,869	308,649	Dec. 20,220
Michigan Southern.....	356,912	339,447	Dec. 17,465
Milwaukee & Prairie du Chien.....	110,064	98,787	Dec. 11,277
Milwaukee and St. Paul.....	171,125	128,741	Dec. 42,384
Ohio and Mississippi.....	284,319	263,261	Dec. 16,068
Pittsburg, Ft. Wayne and Chicago.....	530,963	550,483	Dec. 30,480
Toledo, Wabash and Western.....	247,023	264,741	Inc. 17,718
Total (16 roads).....	\$5,873,134	\$5,332,890	Dec. \$545,234

With exception of the Illinois Central and the Ohio & Mississippi, the above figures are official; for the two excepted roads the earnings for 1866, are only approximate, but based on semi-official information. The results for 1866 as compared with 1865 show an aggregate decrease to an unusual amount, and compared with the figures for November as follows:

	1865.	1866.	Difference.
November.....	\$7,541,531	\$7,350,068	Decrease.... \$211,453
December.....	5,873,134	5,332,890	Decrease.... 545,234
Decrease.....	\$1,668,397	\$1,997,178	Decrease.... \$328,781

This decrease is larger than was anticipated, and can only be attributed to the usual dulness that characterized the business of the country throughout the last month of the year.

The gross earnings of the same railroads for the twelve months ending Dec. 31, 1866, are shown in the following table :

Railroads.	1865.	1866.	Difference.
Atlantic & Great Western.....	\$5,478,276	\$5,248,359	Inc. \$229,917
Chicago & Alton.....	3,840,091	3,677,795	Dec. 162,296
Chicago and Great Eastern.....	1,103,876	1,389,710	Inc. 285,834
Chicago & Northwestern*	7,960,981	9,068,994	Inc. 1,108,013
Chicago, Rock Island & Pacific*	3,313,514	3,473,325	Inc. 160,811
Erie (incl. Buffalo Division, but not since Oct. 1, Can. & Elmira RR).....	16,501,063	14,586,943	Dec. 1,914,120
Illinois Central.....	7,181,306	6,430,135	Dec. 751,171
Marietta & Cincinnati.....	1,222,017	1,186,808	Dec. 35,209
Michigan Central.....	4,504,546	4,260,126	Dec. 244,421
Michigan Southern.....	4,826,722	4,642,422	Dec. 183,300
Milwaukee & Prairie du Chien.....	1,986,719	2,012,700	Inc. 26,981
Milwaukee and St. Paul.....	2,535,001	2,544,000	Inc. 8,999
Ohio and Mississippi.....	3,793,005	3,397,323	Dec. 395,682
Pittsburg, Fort Wayne & Chicago.....	8,469,069	7,454,006	Dec. 1,015,063
Toledo, Wabash and Western*	2,926,678	3,694,975	Inc. 768,297
Western Union*	629,388	814,038	Inc. 184,650
Total (16 roads).....	\$76,849,135	\$74,077,621	Dec. \$2,771,514

Here also is an unlooked-for result, and one that will surprise the most accurate observer. The decrease from 1865, which year certainly had a considerable amount of government or military business, is only \$2,270,514, or 3 per cent. But it must be kept in mind that several of the above named roads (those marked thus *) have operated an increased mileage in 1866, and through this increase much of the military traffic of 1865 has been counterbalanced in the aggregate of the year 1866. On the whole, we may say that the railroad interest generally has not been unprosperous, and the business done on railroads, being a reflex of the business of the country, the returns above given are, to say the least, satisfactory.

NEW ORLEANS, JACKSON AND GREAT NORTHERN RAILROAD.

The earnings and expenses of the New Orleans, Jackson and Great Northern Railroad for the year ending November 30, 1866, sum up as follows :

Earnings: Passenger, \$426,760 49; freight, \$1,090,953 02, and mails, \$15,329 02.	
Total.....	\$1,533,042 53
Expenses: Maintenance of way, \$510,020 35; conducting transportation, \$260,473 79; motive power, \$349,815 92; maintenance of cars, \$81,347 69; stock damage, \$7,523 92; repairs of depots, &c., \$22,325 77; costs of personal injuries, \$15,263 30. Total.....	\$1,146,774 64
Earnings, less expenses of operating.....	\$386,267 89

The New Orleans, Jackson and Great Northern Railroad extends from New Orleans, La., to Canton, Miss., a distance of 206 miles. At Jackson it connects with the Mississippi Central and Tennessee Railroad, and through that line with the railroads to Memphis, Nashville and the North generally. It is to New Orleans what the Mobile and Ohio Railroad is to Mobile, the great carrier across the parallels north and south—a link in the chain which connects the region of grain and beef with the land of cotton and the sugar cane.

This road was badly, damaged during the late war and its rolling stock carried off to other roads. Since the close of hostilities, however, and especially during the past fiscal year, the work of restoration and re-stocking has progressed steadily and satisfactorily. The rotten cross-ties are said to have been removed, and the road bed made sufficiently firm and level to make travel perfectly safe, and passenger trains are running the distance between New Orleans and Canton in 13½ hours.

The rolling stock on the 1st December, 1865 and 1866, compared as follows:

	1865	1866	Increase.		1865	1866	Increase.
Locomotives	10	21	11	Baggage cars.....	3	9	6
Passenger cars.....	7	19	12	Fr't & stock c rs.....	73	226	154

and since December 1, 1866, there have been added—4 passenger and 30 freight (flat) cars. These figures are exclusive of working cars.

The repairs of the road and renewal of its rolling stock have been made entirely from earnings.

The following statement shows the receipts and expenditures of the company on all accounts for the last year:

RECEIPTS.			EXPENDITURE.		
Balance, Dec. 1, 1865.....	\$120,287	97	Restoration of property	\$53,252	48
Stock subscriptions.....	30,563	93	Redemptions, Interests, Dis-		
" " bills rec. for	8,739	11	counts, Commissions, Taxes,		
Second series Mortgage Bonds.	241,000	09	&c., &c.....	462,212	97
Cotton sold.....	28,864	70	Sundries debited.....	142,918	25
Foreign Road Balances.....	39,296	49	Engines, cars & tools.....	325,79	04
Real Estate.....	76,171	54	Road expenses.....	1,146,774	64
Pay Rolls.....	123,732	32			
U. S. due on purchases.....	100,150	26	Cash on hand, Nov. 30, '66.....	31,243	03
Road earnings.....	1,533,042	53			
Total.....	\$2,197,440	41	Total.....	\$2,197,440	41

The financial condition of the company at the close of the year, as per general balance sheet, is exhibited in the statement of accounts, of which the following is an abstract:

RECEIPTS.		DISBURSEMENTS.	
Capital stock.....	\$4,697,457	Roadway.....	\$6,184,173
First mortgage bonds.....	2,741,000	Engines, cars & mach'y.....	1,338,574
Bills payable.....	153,668	Discount on bonds.....	909,300
Small notes payable.....	127,488	1st mor. bond sink'g fund.....	470
Chicasaw school fund.....	200,000	Coupons on bonds.....	227,449
Misc. 3 per cent. fund.....	20,000	Interest.....	715,088
Second mortgage bonds.....	241,000	Expenses and comm's.....	263,149
Foreign road balan's &c.....	43,067	Taxes, &c., and legal expenses..	168,574
Due U. S. for purchases.....	100,144	Reduction of stock.....	26,083
Pay-roll account.....	4,552	Confed. states obligat's.....	983,602
Earn'gs from comment.....	8,256,435	Sundries.....	157,989
Coupons on city & state bonds		Road expenses.....	4,777,016
collected.....	264,480	Current assets.....	315,683
Sundries.....	18,355	Cash on hand Nov. 30, '66.....	31,243
Total.....	\$16,966,649	Total.....	\$16,966,649

The following shows the disposition of the mortgage bonds, of which 3,000 of each class were authorized:

	First mortgage bonds.	Second mortgage bonds.
Sold.....	\$2,741,000	\$241,000
Pledged to State of Mississippi.....	300,000	
Pledged as security for notes.....		68,000
Unsold and on hand.....		1,191,000
Cancelled by purchase through S'king fund.....	50,000	
Cancelled and destroyed.....		1,500,000
Total.....	\$3,000,000	\$3,000,000

This shows outstanding of the first mortgage bonds \$2,941,000, and of the second \$309,000. The floating debt amounted Nov. 30, to \$724,390.18, accounted for as follows :

Bills payable exclusive of interest \$153,663 68	Foreign railroad balances.....	\$23,153 22
Loans from State of Miss..... 220,000 00	Pay-rolls to Nov 1.....	1,692 25
Accrued int't on do. Oct. 1..... 64,000 00	Personal accounts, exclusive of	
Small issues..... 127,488 20	interest.....	29,344 83
U. S. balances due Nov. 30..... 100,144 01		
	Total Dec. 1, 1866.....	\$724,390 18

Of this sum \$28,714 61 has been paid since date on account of bills payable and interest on the same, and the further sum of \$268,000 is included in the mortgage debt as we have stated above. The total debt, therefore, exclusive of accrued interest, would be as follows :

First mortgage bonds sold and pledged.....	\$2,941,000
Second do do do do.....	309,000
Floating debt, per report, \$724,390 18, less \$368,000 out bonds pledged for, and \$28,000 since paid.....	428,390
Total debt present.....	\$3,678,390

The accrued interest on the 1st mortgage bonds amounted, on the 30th November, to \$1,017,160. This amount is in process of being funded in the second series of mortgage bonds ; and at date \$100,000 of first mortgage coupons had been funded in New Orleans, and the signatures of bondholders to the amount of over \$460,000 more had been obtained for funding in London. In relation to this funding process the President of the Company, Gen. G. T. Beauregard, remarks as follows :

During the month of May last the President and two of the directors of the road were appointed commissioners to confer with the Northern and European first mortgage bondholders, relative to the outstanding coupons and interest due them and which the company was unable to meet, owing to the troubles which prevailed in this country, and which left the road in a most dilapidated condition. The commissioners repaired immediately *via* New York and Liverpool to London, where they met and conferred with some of the most prominent bondholders, who received them with great kindness and liberality, and entered into the following agreement to be submitted to the acceptance of the other bondholders : "To deposit with trustees the matured coupons held by them of the first mortgage bonds of the company, including the coupons due 1st July last, and to receive in lieu thereof the second mortgage bonds of the company at par. In case of failure on the part of the company to meet their new obligations in the payment of interest on the second mortgage bonds thus issued, or on the first mortgage bonds (commencing with the coupons due 1st January 1867,) the bondholders to reclaim their first mortgage coupons and surrender the second mortgage bonds which were issued for them, thus placing them in their original position with their first mortgage lien on the road." The holders of our bonds in the United States are also coming under this arrangement, and we have already funded 2,500 coupons, or \$100,000 in this city (to 1st Dec.) and the trustees in London have obtained the signatures of the bondholders in that city to the extent of 11,501 coupons, or \$460,000—the total amount being about 50 per cent. of the entire amount outstanding.

DEBT AND FINANCES OF INDIANA.

The funded debt of the State of Indiana on the 1st November, 1865 and 1866, compared as follows :

	1865.	1866.	Decrease.
Two and a-half per cent. stock.....	\$3,076,460	\$1,191,092	\$1,885,368
Five per cent. stock.....	5,342,500	3,899,986	1,512,564
War loan six per cent. bonds.....	1,371,780	809,000	1,062,780
Vincennes University bonds.....	66,685	66,585	100
Total.....	\$8,857,425	\$5,966,613	\$3,460,81

The whole amount of the 2½ and 5 per cents became redeemable in 1866, and will be paid by the sinking fund.

The valuation of real and personal property subject to taxation in 1865 and 1866, compared as follows :

	1865.	1866.	
Acres of land.....	\$22,186,088	22,380,504	Inc.. 194,416
Value of land.....	\$247,686,046	\$257,746,580	Inc.. \$10,060,514
" of improvem'ts thereon.....	60,309,071	60,758,441	Inc.. 449,370
" of town lots.....	28,319,073	29,288,021	Inc.. 1,068,948
" of improvem'ts thereon.....	30,209,720	33,998,888	Inc.. 3,789,168
Total real estate.....	\$366,523,919	\$381,888,910	Inc.. \$15,364,991
Personal property.....	197,067,339	194,814,488	Dec. 2,253,856
Aggregate ...	\$563,591,258	\$576,703,398	Inc.. \$13,112,135

—which the Board of Equalization revised and allotted, thus :

Lands and improvements.....	\$311,138,734	\$323,304,658	Inc.. \$12,170,924
Town lots and improvements.....	63,267,387	66,488,088	Inc.. 3,220,701
Personal property.....	197,067,339	194,814,488	Dec. 2,253,856
Aggregate	\$570,463,400	\$584,607,239	Inc.. \$14,143,839
Number of polls.....	196,271	228,978	Inc.. 32,607

This shows an increase for the year 1866 of \$14,149,429 in the valuation of taxable property, and 30,607 in the number of polls. The debt divided among the polls registered in 1865 was \$44 67 per poll; divided among the polls of 1866, it was \$23 58 per poll—being a proportionate reduction of the State debt to nearly one-half its amount. Compared with the tax able value of property, the debt of 1865 was 1.55 per cent.; but the debt of 1866 was only 0.92 per cent. It is evident from this showing that the financial condition of the State has improved, and that if the same rate of taxation and disbursement be kept up for a few years longer, the whole debt will be erased from the State ledger.

The levy for taxes for the year 1866 was as exhibited in the annexed table :

State tax proper.....	\$1,602,657 80	Township tax.....	\$220,690 25
School tax.....	1,030,043 26	Special school tax.....	92,877 28
Sinking fund tax.....	1,118,600 56	Township library tax.....	44,402 79
Total State tax.....	\$3,751,301 63	Dog tax.....	154,480 00
County tax proper.....	3,214,729 83	Bounty tax.....	874,167 30
Road tax.....	563,702 50	Other local taxes.....	275,647 41
Total County tax.....	\$3,777,431 84	Total, township and other....	\$3,542,355 03
Aggregate amount of tax levy, 1866.....	\$7,528,733 47	Aggregate amount of tax levy, 1866.....	\$10,197,432 64
Delinquencies for 1865 and previous years.....	1,389,786 05	Delinquencies for 1865 and previous years.....	1,389,786 05
Aggregate taxes collectable in 1866.....	\$8,918,219 52	Aggregate taxes collectable in 1866.....	\$11,577,218 69

The levy for 1866 was at the rate of \$44 50 to each taxable poll, and at the rate of \$17 42 to each \$1,000 of taxable valuation. Of this estimate, the distribution to the State, the counties, and the townships and localities was as follows:

	State.	Counties.	Townships.	Total.
Tax to each Poll.....	\$18 89	\$16 50	\$11 61	\$44 50
Tax to \$1000 valuation.....	6 42	6 46	4 54	17 42

These results ought to be extremely gratifying to taxpayers of Indiana. The taxation in New York city is at least four times these rates, and in New York state, taken as a whole, three times. And yet while in Indiana the debt is being rapidly reduced, New York, on the contrary, appears to be seeking every means to increase its debt-burden.

The receipts for the fiscal year ending November 1, 1866, including balance from 1865, was \$4,043,086 57. The payments (warrants drawn) in the same year amounted to \$3,661,564 68—leaving an undisbursed remainder of \$381,528 89. But at the close of the year the Treasury was indebted to the several Trust Funds managed by the State in the sum of \$493,182 72, which eats up this balance and calls for \$111,660 83 in addition. This last amount may be correctly styled the floating debt of the State, and as such will probably be satisfied as a current account.

The receipts and disbursements are classified in sufficient detail in the statement taken from the Report of the Auditor for the year 1865-66, which follows:

RECEIPTS.		DISBURSEMENTS.	
Revenue.....	\$1,764,653 59	Ordinary expenses.....	\$242,261 71
Common School.....	1,114,345 09	Office expenses.....	37,100 88
Soldiers' families relief.....	82,428 33	Public institutions.....	426,829 44
Miscellaneous.....	465,395 74	Military expenses.....	306,394 01
Total, ex sinking fund.....	\$3,418,823 68	College fund.....	94,217 08
Sinking fund.....	540,212 55	Common School fund.....	1,164,114 27
Aggregate receipts.....	\$3,957,035 23	Miscellaneous.....	423,009 42
Add balance from 1865.....	86,061 34	Total, ex public debt.....	\$3,613,476 79
Aggregate resources.....	\$4,043,086 57	Public indebtedness.....	1,048,067 89
		Aggregate disbursements.....	\$3,661,564 68

—leaving a balance, as before stated, of \$381,528 89.

In the above account the general receipts and expenses of the government are separated from those of the sinking fund and public debt. The object of this separation is to exhibit more definitely what the cessation of taxation and expenditures on the latter accounts will effect for the people. It will be seen that the payments of interest and principal have amounted to two-fifths of the whole disbursements. There are other expenses, as the "Military," which must now be approaching extinction. The extinction of these will probably abate taxation at least a million a year, and limit the annual levy to about \$3,000,000, or to about \$2 for each inhabitant of the State.

If the county and township, etc., accounts were administered with the same wise economy as those of the State, the probability is that the local rates would be largely reduced. At present most of the counties and cities are encumbered with disproportionate debts, which have been contracted principally in aid of railroad and other companies, which frequently pay neither dividends nor interest.

CALIFORNIA COMMERCIAL RESOURCES FOR THE YEAR 1866.*

The past year has been a marked one in the history of California. While great wealth has been developed from natural and commercial causes, a severe revulsion in the financial circles of Europe and the East, put a strain upon our resources which very few mercantile communities could have successfully met, but which had no other effect upon San Francisco than to demonstrate her ability, under any and all circumstances, to meet, without effort, whatever demands are made upon her. In the past year, for the first time in her history, she became a creditor to the East, by lending gold, to perhaps too great an extent, at the high rates which the vicious currency of that section made current. The only inconvenience which the merchants and people here suffered was momentary, through the disposition to lend too much, and money for a short time was very scarce. The leading bankers and money reservoirs promptly applied the proper remedy, and the channels of circulation once more filled with the necessary circulating medium. During the year the banking capital of the city has been increased by the addition of \$3,000,000 to the Bank of California, making it \$5,000,000 of local capital, which, added to that of the other local institutions, has had the effect of reducing the rate of money to the regular level of one per cent. per month. This figure, at a time when the rate of money in London and at the East rose nearly to the same point for specie funds, had the effect of curtailing the employment of foreign capital here, and some British capital has been withdrawn. The capital of the State has accumulated considerably. First, through the abundance of the crops, which for the present year give a surplus of wheat barley and oats of \$7,000,000 more than in 1864. The mines have been more prolific, and those of Nevada, instead of drawing assessments, have given handsome dividends. Manufacturers have prospered, and the population of the State has increased 3,683, against a loss of 1,244 persons in the previous year. The prosperity of the people has manifested itself in the large increase in the savings deposits, which have reached about \$10,000,000—an average of \$711 each depositor, against \$250 average in New York. The insurance companies have done a good business, and paid handsome dividends. The manufactories have prospered in a gratifying manner. The woolen factories alone have taken this year 3,189,500 lbs. of wool, against 2,350,000 lbs. in the year before; and these mills are under so great pressure of business that constant enlargement is necessary. A small cotton factory shows some promise of success, and a variety of establishments for the manufacture of textile fabrics, including silk, are in progress. The effect of this prosperity of agriculture and manufacturing is that the demand for Eastern and imported goods shrinks up. The Atlantic States particularly are losing their markets here. Provisions, butter, fish, cordage, etc., are now better supplied here, and manufacturers, under

* The following review of the trade of California for 1866 was prepared by Thos. P. Kettell, Esq., for twenty years one of the editors of the *MERCHANTS' MAGAZINE*, and now financial editor of the *Alta Californian*.—*Ed. HUNT'S MERCHANTS' MAGAZINE.*

the present state of currency and laws at the East, come better from abroad even at the enormous gold tax of 56 per cent. average charged upon dutiable goods. The aggregate amount of goods coming here is, however, less each year. The amounts imported and the payments made, may be approximated as follows:

	1864.	1865.	1866.
Foreign, at Custom House.....	\$10,445,948	\$10,338,898	\$12,867,000
Eastern, per sail.....	80,264,590	22,862,640	17,198,204
do per steam.....	11,900,645	6,253,815	11,289,044
Freight, foreign goods.....	2,502,952	1,615,247	1,942,058
do Eastern goods.....	1,884,201	3,324,881	2,555,973
do do per steam.....	2,880,129	1,850,663	2,888,476
Duties gold.....	6,878,348	6,708,753	7,189,763
Total.....	\$67,756,818	\$56,008,897	\$55,920,518

The actual exports in payment have been:

	1864.	1865.	1866.
Merchandise.....	\$13,359,615	\$14,216,274	\$17,166,896
Treasure.....	55,202,423	50,693,299	44,146,577
Total.....	\$68,562,038	\$64,909,573	\$61,313,473

This is an approximation to the state of the trade. The amount of treasure exported is that on mercantile account. There has been shipped in addition \$12,000,000 by the United States Treasury. In this amount is included the \$7,189,763 paid in for duties, as in the table, and which constitutes a part of the cost of the imported goods. The remainder of the government shipment was on hand from the amounts paid in for duties last year. The merchandise exports embrace \$5,221,248 Eastern and foreign re-exported, and the remainder, \$11,945,648, is the value of domestic produce. The result is an apparent adverse balance of \$5,392,955, which we have paid away without equivalents; a portion of this is for profits on goods sold here, for money carried away by passengers, and money drawn by absentees, for rents, dividends, etc. There has been some offset to those items by capital brought into the State by passengers, and sent here for mining investments. The expenditures on this coast by the Federal Government have declined last year, while the internal revenue taxes have increased. The aggregate disbursements in 1864 was \$9,670,656; in 1865 \$15,930,451, and this year \$10,689,130. These items have helped the adverse balance. The aggregate results are, however, highly favorable to the State, which was never in a better position to inaugurate its connection with China by steam than it was at the close of the year, when that great event took place, whereby passengers leaving New York December 11th were landed here in twenty days, to take their departure in the Colorado January 1st, 1867.

The receipts of treasure, it will be observed, show a decline during the past year of, in the aggregate, \$2,607,893. Of this amount the decline in bullion from the northern and southern mines was \$2,603,799. The receipts from the State of Nevada remain about the same; but the State of the roads kept back some bullion. To the aggregate amount of bullion reported, observation has made it necessary to add twenty per cent., in order to cover the sums in private hands and approximate the true sum, which will thus reach \$60,000,000.

The receipts of coin from the interior and the export thither have been as follows, quarterly :

	Receipts.	Sums remitted.	Excess remit'd
First quarter.....	\$1,208,987	\$1,817,329	\$608,342
Second quarter.....	1,634,208	2,599,781	965,573
Third quarter.....	1,279,343	2,318,079	1,038,736
Fourth quarter.....	905,882	3,172,055	2,266,173
Total.....	\$5,028,420	\$9,907,244	\$4,878,824

This large amount sent inward increased as the year progressed, and the sale of crops threw more money into the hands of the farmers.

The exports of treasure in the table have exceeded those of last year, in the aggregate, \$10,662,031 41. This excess is due altogether to the large shipments made by the Treasury, and which are suppressed from the manifests of the steamers, on the responsibility of the Assistant Treasurer. The shipment on Treasury account last year was about \$1,500,000, and this year nearly \$12,000,000. Deducting these amounts, the movement on mercantile account has been nearly the same. The movement to England direct has been less ; and also to China there has been a falling off—while the state of affairs in New York, by which gold was made artificially scarce, commanding high rates of interest, drew thither more than usual. The kinds of treasure which have been shipped during the six months ending Dec. 31st have been as follows :

	Per steamer.	China and Australia.	Total.
Gold bars.....	\$10,142,241 60	\$626,929 91	\$10,769,170 51
Silver bars.....	5,290,771 88	1,532,468 65	6,823,240 48
Gold coin.....	1,542,810 86	244,111 47	1,786,921 83
Mexican dollars.....	.....	195,931 00	195,931 00
Dust.....	12,790 72	17,448 50	30,239 22
Total.....	\$16,938,614 51	\$2,616,889 53	\$19,606,703 04

It will thus be seen that the exports of gold bars reached about one-half the aggregate export; that silver bars make rather more than one-third, one-quarter of which goes to China and the remainder to London, where the price of silver in the last year has varied from 60½ to 62d. The price of sterling bills in New York, where the proceeds of the silver are made available, has also varied largely. During the panics of the summer the rates were such as to check silver shipments, but these have latterly been resumed. In addition to the above, the steamer Colorado carried: Gold bars, \$63,698; \$55,276 gold coin, 100,815 Mexican dollars, and other lots. Total, \$581,287. But as she sailed on the first, her report belongs to the year 1867.

The aggregate exports of merchandise from this port have reached this year the large sum of \$17,166,896. A table of the leading items for many years, in another column, will be found to be of great interest. As compared with former years, this aggregate has been composed as follows :

	Domestic.	Foreign and Eastern.	Total.
1860.....	\$4,918,921	\$3,472,146	\$8,391,067
1861.....	6,988,375	2,893,446	9,881,821
1862.....	6,578,780	3,860,208	10,438,988
1863.....	7,599,765	5,204,531	12,804,296
1864.....	7,753,978	5,587,227	13,341,160
1865.....	8,705,228	5,511,146	14,216,374
1866.....	11,934,062	5,232,834	17,166,896

These figures show results that are in the highest degree satisfactory, since there has been a regular development of the trade in domestic products—the amount reaching in 1866 150 per cent. more than in 1860. Few countries can show such rapid progress with such small increase in the number of the producers. It will be observed that the export of foreign and Eastern has been nearly stationary in the last four years. This has been the effect of the war, bringing with it paper money at the East and enormous duties upon imported goods. The taxes, delays, oppressions, expenses, and vexatious obstacles thrown in the way of importers have prevented the growth of the carrying trade. The Mexican and other channels for the legitimate commerce of this coast have been choked by the increasing expenses and disabilities imposed upon this port. The high taxes and paper money at the East have made the goods there less able to contend with imported goods here for general consumption, notwithstanding the high duties. Both these have made this port less eligible as a port of supply. It has also been the case that many California productions have taken the place of imported goods for outward manifests, and have thus swollen the figures under the head of domestic exports.

The exports of domestic produce in the past year have in the aggregate shown very satisfactory results, being an increase of \$3,229,834 over those of the previous year. This is due mainly to the increase in breadstuffs and grains, which have been comparatively as follows:

	1865.		1866.	
	Quantity.	Value.	Quantity.	Value.
Flour, bbls	109,210	\$701,556 00	327,544	\$1,855,108 19
Wheat, sks.....	416,595	847,534 37	2,258,022	4,186,507 50
Barley, sks.....	154,922	183,230 77	298,003	381,426 70
Oats.....	11,105	18,283 27	183,316	345,698 33
Total.....		\$1,750,494		\$6,717,925 72

If we reduce the flour to wheat, the quantity exported has been 3,240,654 sacks, against 744,255 sacks in the previous year. The average price for the year has been, it appears, \$1 80 per sack against \$2 for the previous year, which began with large importations at famine prices. The year closes with, in round numbers, $1\frac{1}{4}$ million sacks on hand at the ports, and as much more in the interior, against about 600,000 sacks the same time last year. The year began with an active demand for breadstuffs and grain for Australia, where the crops were short. That country has taken 623,036 sacks wheat and 118,071 bbls. flour; together, 977,249 sacks wheat, or about 30 per cent. of the whole export. That demand gradually died out as the year advanced, and it became certain that the Australian crops would be good. China has taken about 520,000 sacks in wheat and flour; but latterly the demand has declined. In June and July it began to be apparent that prices in England and the Eastern States would be high, and they have reached such rates as were seldom attained before. In England, the advance was 20s. per quarter, touching 71s., equal to \$4 per sack for fine California. The same price was reached in New York. Under these circumstances all the tonnage that could be commanded was taken up to transport wheat in that direction. To Great Britain, 1,033,735 sacks and 23,279 barrels flour, equal to 1,103,572 sacks wheat, have been sent; to the East, 364,098 sacks wheat and 3,520 barrels flour; together,

374,658 sacks wheat. The aggregate tonnage employed to transport the whole of the grain has been 102,961 tons register, ranging, to Australia, £2@£2 10s.; to Liverpool, from £2 in the spring to £3 10s., which was the rate recently for the Kingfisher to London. The rate to New York has been \$18@19, currency, per 2,000 lbs. Australia has been by far the largest customer for barley and oats, having taken four-fifths of the quantity shipped. The East has taken some barley. While the grain trade has been thus advanced there has been a decline in the export of hides, wool, copper ore and quicksilver. These four articles diminish the export figures by \$2,019,966.

In tallow there has been an increased movement to Peru and Great Britain.

There has also been a gratifying increase in the exports of California wines, the amount having doubled in the year. The progress has been as follows:

	1863.	1864.	1865.	1866
Packages.....	2,095	1,680	3,552	7,194
Value.....	\$79,026	\$41,931	\$89,581	\$169,947

Those figures indicate the progressive trade which results from the growing appreciation of these wines at the East, and also in the Western States, whence increasing orders are received by the leading houses. The Vinicultural Society's champagne asserts its own value. That this is to be a very important branch of California industry is a foregone conclusion. The exports of provisions have taken very large proportions, reaching \$236,373 against \$21,596 in 1863. Lumber has not done so well this year. The business had been overdone to an extent which involved the trade in difficulties through too active competition. This has now been remedied, and the matter is on a fair foundation. The table of lumber receipts, it will be observed, shows the effects of the same causes. There has been a diminution of 38,728,789 feet in the supply. There have been a number of vessels loaded direct from the northern mills abroad, a circumstance which has lessened the quantity passed through San Francisco. The fisheries have greatly improved, and the value of salmon exported is three times that of last year.

The receipts of produce from the interior at this port show the results of the large crops and improved condition of the agricultural interest. The receipts of flour show an increase of 100 per cent. in the quantities received from the interior, and this quantity now exceeds the aggregate capacity of the city mills, and has supplied two-thirds the quantity taken for export. The receipts of wheat have been very large. The disposition of wheat and flour may be thus approximated:

Receipts of flour and wheat, in sacks,			
Wheat			4,659,559
Exports.....		3,229,726	
Consumption.....		432,000	
			<hr/> 3,761,726
Estimated surplus.....			897,833
Add stock January, 1866.....			515,269
Estimated stock January, 1867.....			<hr/> 1,413,102

The receipts of wool have been somewhat in excess of last year, and its quality has been very much improved. The spring clip of the present year has been one of the finest ever produced. The following figures and statements are from the circular of Messrs. McLennan, Wheelan & Grisar, wool graders :

RECEIPTS.

	Bags.	Pounds.
From the country —Spring	18,630	4,934,950
Fall.....	8,162	2,244,550
Total of fleece wool.....	26,792	7,179,500
Pulled California, included in the exports below		754,587
From Oregon.....	2,770	443,200
Total		8,377,287

EXPORTS.

To—	1866.		1865.	
	Bales.	Pounds.	Bales.	Pounds.
New York, per steam	5,529	2,866,194	6,974	3,858,902
" per sail.....	2,454	1,155,283	4,287	1,692,840
Boston, per sail	1,976	607,603	3,756	997,619
England, per sail	55	33,049	9	570
Total	10,114	4,662,129	14,999	6,549,931
Value				\$897,987 54
Bought by local factories..... pounds			1866.	1865.
On hand, packed and ready for shipment.....			3,189,500	2,360,000
Unsold in warehouse.....			172,903	
			508,116	50,000
Total			8,582,647	8,949,981
Total value.....				\$1,641,177 54

The prospect for the next spring clip (1867) opens very favorably, the grazing facilities being all that is required, and the heavy rains already experienced having pretty well cleaved the wool on sheep-back so far. We anticipate a spring clip fully up to the last one, for quality and condition, and we expect that the next clip will amount from 7,000,000 to 7,500,000 pounds. Our calculation is based upon the following figures :

Received last spring, (1866.) 18,630 bags spring wool; each bag containing an average of 76 fleeces, each fleece weighing 3½ pounds, giving as old stock	1,415,880 Sheep.
Allowing 15 per cent of wethers supposed all killed off for butchering.....	212,380 Wethers.
Leaves breeding ewes.....	1,203,500 Sheep.
Increase of 1866. 100 per cent	1,203,500
Less 20 per cent off for butchering.....	240,700
	962,800
Leaves to be shorn next spring	2,166,300 Sheep.
Giving, at 3½ per cent. each	7,582,000 pounds.

The increase of 100 per cent. allowed is not exaggerated, according to the fullest information gathered by us all over the country. There remains

the amount of stock killed off for butchering, which the following figures will show to be correct :

We have allowed 212,880 Wethers.
And 240,700 new stock.

Together..... 453,080 Sheep.

At 2 lbs. pulled wool each, gives 906,160 pounds of wool, which exceeds the actual exports.

The industry of this port for the last year has been such, in connection with the favorable harvests, as to supply a large proportion of the necessary wants of food and merchandise on this coast. Accordingly, we find that the arrivals of goods, both from Europe and the Atlantic States, have considerably diminished. The list of merchandise received from the East is shortening gradually, and the quantities of each description that arrives are less. Thus, apples, beef, pork, butter, codfish, hams, lard, fish, etc., have declined considerably in quantities. It is also the case that heavy taxes and paper money have weighed heavily upon the ability of the East to compete with foreign nations in the supply of textile fabrics. We find, therefore, that freight values from the East decline, while those from foreign countries increase. Comparatively, the movement has been as follows :

	1865.	1866.
From Panama	\$1,885,218	\$2,288,476
Atlantic States, sail.....	3,824,381	2,555,978
Europe, sail	568,562	765,097
All other	1,046,685	1,176,961
Total	\$6,324,841	\$6,786,507

Thus there has been an increase of \$403,263 by the way of the Isthmus, by reason of cheaper steam freights; but a part of that increase is due foreign merchandise which took that route. The sail values have declined \$768,408, or more than 25 per cent., while those from Europe have increased \$196,535, or 35 per cent.

The very high duties paid at the port of San Francisco, and which reach on merchandise \$7,189,763, are 56 per cent of the dutiable imports, which gives a value of \$12,857,000 of imported merchandise against \$6,812,368, duties in 1865, and \$6,378,384 in 1864. As measured by the duties, therefore, the imports of this port have been 13 per cent more than in 1864.

In addition to the goods which have arrived by sail from Europe and the East, there have come to hand, via Panama steamers, during the year as follows :

	First Quarter, tons.	Second Quarter, tons.	Third Quarter, tons.	Fourth Quarter, tons.
1866.				
New York	6,055	3,877½	9,486	8,441
Europe	682	921½	1,319	1,160
Havana.....	94	59½	50	25
South America	5	....	12	4
Central America.....	244	207	103	116
Mexico .....	....	....	22	14
Total.....	7,080	5,086	10,992	9,760
Total 1865	6,477	5,270	6,381	3,749
Increase	603	....	4,611	6,011

The freight values for these periods were as follows :

1886.	First Quarter.	Second Quarter.	Third Quarter.	Fourth Quarter.
New York	\$373,407	\$281,001 17	\$651,557 17	\$588,370
Europe	52,209	67,921 16	96,888 58	88,935
Havana	6,486	2,818 15	2,316 40	1,199
South America	249	.....	395 24	251
Central America.....	11,518	10,474 88	4,528 45	4,194
Mexico	1,812	1,637 78	793 00	1,529
Total.....	\$445,376	\$363,848 04	\$756,478 84	\$684,478
Total 1865.....	499,451	888,332 00	490,285 00	507,909
Decrease.....	\$54,075	\$24,483 96	.....	.....
Increase .....	.....	.....	\$276,188 84	\$176,569

Since the new arrangements in regard to the transmission of freight by the Panama steamers have gone into operation, the amount of freight so sent, it will be observed, has undergone a notable increase. In the last two quarters the increase has been more than fifty per cent. in freight values.

The tonnage movement of the port has not varied much in the past year from that of the preceding year, in the aggregate. The number of coal vessels which have arrived from the East has been larger, but there has been a decline in the number and tonnage of vessels with general cargoes from the Atlantic States. The short harvests in Australia early in the year caused the arrival of a number of coal vessels to carry back grain and there is an increase of 69 vessels and 31,458 tons in the clearances for that destination. The orders for grain for Great Britain have caused a scarcity of tonnage, and high freights have been paid, running up to £3 10s. for that purpose. There has been an increase of 45 vessels and 30,351 tons in that direction. The wants of the grain trade have most influenced the tonnage departures. The quantities were as follows, showing the exports of grain, reducing the flour to (sacks) wheat :

	1865.	1866.
Grain exported.....sacks.	910,282	3,721,973
Grain tonnage cleared.....	12,263	102,961

Thus the arrivals from foreign and Atlantic ports embraced last year 425,512 tons, of which 12,263 only, or 3 per cent., were taken for grain freights. This year the arrivals were 421,593 tons, of which 102,961, or nearly 25 per cent., were demanded for grain freights. These figures are the key of the tonnage movement this year.

The passenger returns show a very gratifying result for the past year, since there is an apparent excess of 3,683 in the arrivals over departures, while in 1865 there was an excess of departures. The passenger movement for several years has been as follows :

	Isthmus		Elsewhere		Total	
	Arrivals.	Departures.	Arrivals.	Depart's.	Arrivals.	Depart's.
1863.....	24,327	9,505	7,568	4,225	31,905	13,730
1864.....	24,623	14,529	4,963	5,643	29,585	20,173
1865.....	18,510	21,597	5,589	3,746	24,099	25,340
1866.....	20,962	17,895	4,656	4,040	25,618	21,935

Last year was the only one of the series in which the number of persons going East exceeded those arriving. In 1864 there was excess in the departure of the Chinese, but 1865 is the only year which presents a positive depletion of population towards the East. The reasons for that were obvious. The war and its exigencies, including the drafts, had sent numbers to this coast, particularly in 1863. In 1865, not only many of these returned, but many others who hoped to find in the Southern States lucrative commercial openings, and numbers of persons also went to Europe. These combined causes helped to create an excess of departures. But these influences have measurably ceased to act, and this year we have an approximate return to former figures, and we find an excess of 3,067 in the arrivals from the East. The aggregate movement quarterly has been in the past year as follows:

Quarter.	Arrivals.	Departures.	Excess departures.	Excess arrivals.
April 1.....	4,704	5,552	848	....
July 1.....	7,788	5,245	....	2,543
October 1.....	6,218	4,999	....	1,214
January 1.....	6,918	6,139	....	774
Total	25,618	21,985	848	3,683

The Chinese movement still shows an excess of departures. In three years the arrivals thence have been 6,335, and the departures 7,642—a loss of 1,307 persons in addition to the deaths that have taken place in that time. This, in view of the great necessity felt for labor, and the exertions being made to promote intercourse between the nations, is a severe commentary upon the barbarous and unconstitutional laws which still disgrace our statute books in respect to those people.

The coal trade has taken large dimensions. The Mount Diablo mines have increased their supply 30 per cent. for the year, and have more than doubled in two years. It will be observed that the whole of the receipts from other quarters have maintained the same figures during the last five years, and that the whole of the increased supply necessary to meet the growing wants of the coast has been due to the Mount Diablo mines.

TREASURE MOVEMENT AT SAN FRANCISCO FOR 1866.

The San Francisco papers of the 9th of January furnish a review of the treasure movement for the past year, from which, and the papers for previous years, we have prepared the following:

It seems that the total domestic receipts through the regular channels are less than any previous year since 1862, as may be seen from the following:

	1866			1865		
	Uncoined.	Coined.	Total.	Uncoined.	Coined.	Total.
Rec's from N. mines.....	\$ 35,792,755	\$ 3,522,585	\$ 39,315,340	\$ 38,640,337	\$ 3,093,110	\$ 41,733,447
do S. mines.....	4,106,975	1,042,774	5,148,749	5,108,413	1,320,547	6,428,960
Coastwise recp's.....	5,897,100	537,486	6,434,586	6,948,511	518,265	7,466,776
Total for year.....	44,796,830	5,102,785	49,900,615	48,706,261	4,961,922	53,668,183

TOTAL RECEIPTS.

1864.....	47,769,964	5,743,399	53,513,363	1863.....	41,977,957	5,593,421	47,571,378
1865.....	43,913,375	6,883,974	50,797,349	1861.....	32,325,863	9,363,214	41,689,077

On this subject of receipts the San Francisco *Bulletin* says :

The receipts last year show a falling off in the aggregate of \$1,811,489, as compared with 1865, and \$1,589,158 as compared with 1864. In arriving at the total product of our mines, it has been customary to add to these receipts from the interior, through public channels, at least ten per cent. to cover amounts received through private sources, and thirty per cent to the coastwise receipts for sums in the hands of passengers. Observing this rule, we have the following as the product of our mines for the past year :

From California and Nevada.....	\$49,108,953
Coastwise ports, North and South, including British Columbia.....	8,516,669
Total.....	\$57,715,622
Add imports foreign.....	32,369,944
Grand total 1866.....	\$80,085,566

The foregoing statement comprises all the domestic treasure received through Wells, Fargo & Co's Express, together with the estimated amounts received from the interior through private channels, in the hands of passengers coastwise, and the imports foreign. To this aggregate we think should be added the amounts from Portland and Crescent City, consigned to other consignees than Wells, Fargo & Co. There are no accessible means of ascertaining these amounts, except as they have been reported from time to time on the steamers' manifests as deposited at the Exchange. Of the sums thus reported by these northern steamers during the past two quarters, we find the following consigned to other parties in addition to the receipts per Wells, Fargo & Co's Express: Third quarter \$459,340; fourth quarter, \$680,569—total, \$1,139,909. The aggregate receipts per steamers from the north coast for the first two quarters of the year were considerably lighter than for the last half of the year; consequently, the sums received per other consignees outside of the Express Company were proportionately smaller. We think, however, that at least \$2,000,000 has been received by these private consignees in their own names during the past year, which should doubtless be added to the aggregate given above, making the total receipts of treasure at this port, from all sources, for the year 1866, \$82,085,566.

The exports from the port for the six years 1861-1866, as declared at the Customhouse were as follows :

To	1861.	1862.	1863.	1864.	1865.	1866.
	\$	\$	\$	\$	\$	\$
New York.....	32,028,011	26,194,085	10,389,529	12,316,131	20,538,389	29,214,891
England.....	4,061,779	12,450,139	23,467,256	31,436,422	15,432,638	6,532,207
China.....		2,660,754	4,266,370	7,888,973	6,063,522	6,527,287
Japan.....	3,541,379	17,916	34,594	85,631	214,108	106,130
Manila.....		35,652	66,200	150,135	156,505	.....
Panama.....	349,739	434,508	2,503,226	878,794	1,224,544	511,549
Havana.....			32,302	8,000		
Hawaiian Isl'ds.....		3,000	31,253	130,603	45,920	187,460
Society Is.ands.....			8,000	16,951	5,500	.....
Mexico.....		5,000	155,618	175,245	152,457	12,004
Central America.....		10,000	77,337	45,321	9,273	67,986
Victoria, V. I.....	95,920	188,222	100,000	125,000		140,000
France.....					859,170	939,055
Chile.....					50,000	95,800
Australia.....		121				
East Indies.....		62,414				

The following shows the total movement for the same years :

	Receipts at port.			Exports as	Annual
	Interior.	Foreign.	Total.	above.	movement
1866.....	\$49,801,625	\$2,847,028	\$52,691,453	\$44,344,393	Inc. \$8,327,260
1865.....	53,668,188	1,799,399	55,467,573	45,308,228	Inc. 10,159,345
1864.....	53,518,843	1,715,024	55,233,407	57,707,201	Dec. 476,794
1863.....	50,297,349	2,156,612	52,453,961	46,071,920	Inc. 6,382,041
1862.....	47,471,378	1,914,084	49,375,462	42,561,761	Inc. 6,813,701
1861.....	41,689,077	1,702,688	43,391,760	40,676,758	Inc. 2,715,002
Total.....	40,676,758	42,561,761	46,071,920	55,707,201	45,308,228 44,364,893

MERCANTILE FRAUD IN ENGLAND.

The *Pall Mall Gazette*, of Dec. 21, furnished the following picture of mercantile morals in England :

"The readiness with which it was believed, a few days ago, that some ingenious person had brought down the shares of a railway by circulating an utterly groundless report that its chairman had failed, affords a fresh illustration of a state of things which is becoming very serious ; so serious that, unless the whole nation is to be permanently disgraced, some sustained effort ought to be made to set it right. We refer to the continual growth and development in all directions of mercantile fraud which appears to pervade men of business of all classes, from capitalists who get up fraudulent joint-stock companies which cost tens of thousands to unfortunate shareholders, down to the not less determined and in their position not less dangerous rogues who add to their gains by keeping false weight and measures. The *Times* remarked the other day with perfect truth that lying for the purpose of cheating was so common on the Stock Exchange that people there appeared to think nothing of it, and the case is undoubtedly the same in many other departments of business. Not long ago a gentleman, not himself in business, but connected with others who were so engaged, was informed by one of his friends that he, the friend, had found out that his partner had been raising money by pledging securities which had been entrusted to the firm for safe custody. The firm was at the time in difficulties, and an attempt was being made to wind up its affairs. The outsider thus applied to was horrified to hear that his friend was in any way connected with any such transaction, and advised him at once to disclose it to all the parties interested. The two went for this purpose to the herd of a very eminent house in the trade, and told him what had happened. He treated the whole thing as a most venial irregularity, declared that it would never do to take a strict legal view of such matters, and expressed his firm conviction that the person who had been guilty of this slight deviation from strict propriety was a man of the very highest honor, utterly incapable of a really dishonest action. The two friends, not being satisfied, took steps to have the matter fully investigated, and the same evening the man of high honor confessed that he had committed the further irregularity of forging acceptances to the value of several thousands pounds, and on the next day decamped, leaving his unlucky partner liable to claims of which he had never had any notice, which involved him in absolute ruin and many friends who had assisted him in most serious loss. Cases of this kind are continually occurring, and the remarkable and indeed intolerable thing is not that in such cities as London, Manchester and the like, there should be a large number of consummate rogues, but that the honest men should take so little notice of their roguery, and should persistently regard it with indulgence, not to say indifference. No doubt we possess a large number of merchants as honorable as any in the world. We have men whose word is their bond, and who would as soon lie as they would pick pockets ; yet we have on the other hand such an assortment of cheats and swindlers, from the millionaire down to the small shopkeeper, as were never, in all human probab-

ity, collected in one place before. The really grave charge against the honest men is that they indulge and countenance the other class—that from indifference, from want of corporate feeling, or from a sort of callous indifference which even an honest man is very apt to contract from continual intercourse with roguery, they not only allow them to take their course and suggest no means whatever for clipping their fraudulent wings, but do their very utmost to put commerce of all kinds on a footing which gives the utmost conceivable facilities to every kind of cheating. It is by no means pleasant to compare the number of barriers which were formerly opposed to fraud with the facilities which are afforded to it in the present day. The system of guilds and monopolies had undoubtedly immense evils, and degenerated before it was finally destroyed into a very hotbed of jobbery and corruption; but it did at all events provide some sort of corporate feeling amongst different trades, and some kind of machinery by which that corporate feeling might provide more or less discipline for individual traders. The Inns of Court and the Incorporated Law Society—and especially the former—might no doubt be more efficient than they actually are, and many professional malpractices no doubt exist in spite of them; but if they were swept away there would undoubtedly be many more. Much may be said for and against trades unions, but it will hardly be denied that the corporate feeling which they produce amongst the men who belong to them has its noble and elevating side. Commercial life is subject to none of these influences. The merchant, the speculator, the shopkeeper, stands for the most part altogether alone, and bends all the energies of his mind to making his own fortune by his own exertions.

The old law of bankruptcy, again, was certainly exceedingly harsh, and the law of imprisonment for debt on which it was founded was harsher still. Harsh, however, and cruel as they were, they did in a very emphatic way indeed assert the great principle that to be in debt and not to be able to pay is disgraceful, and that wilfully to diminish the means available for payment is one of the very worst forms of robbery. The notion of punishing a fraudulent bankrupt with death would in these days be regarded with horror, but if our humanity has gained something by the abolition in such cases of capital punishment, our sense of justice has lost a great deal by our refusal to recognise in such an act a crime as gross and as deserving of severe punishment as the worst forms of highway robbery. The old law of partnership, again, was, in its way, harsh. To prevent people from contracting, if they thought proper, upon the principle of limited liability, was, no doubt, to treat them more or less like children; but it did make it much more difficult to devise wholesale frauds than it is at present.

We do not say either that this legislation was wrong, or that it is now possible to alter its essential provisions. Nothing but experience can teach people prudence; and if all mankind are bent on having every possible facility afforded to the cleverer members of the community for getting rich in a hurry, why they must have their way, even if they should happen, as was remarked of old, to be “pierced through with many sorrows;” but that which is not in itself wrong may be grossly defective, and this has, no doubt, been the case with our legislation on commercial matters. Throw open your gaming table to all mankind if you please, but let us at all events have such security for fair play as the

most stringent rules for the punishment of fraud can give. If trade is to be a universal betting-ring, so be it; but let us have no mercy on welchers. The criminal law ought to keep pace with the progress of commercial legislation, and should be extended in direct proportion to the degree in which we give up the notion of protection. Prevention we have given up as being, under the circumstances of the case, impossible, and likely, if attempted, to do more harm than good; but this is the strongest of all reasons for trying our very utmost to increase the efficiency of punishment. If the railings and gates of a park are all thrown down, common prudence ought to teach us to send in an additional force of police.

How then ought this to be done? It should be done by adding to the criminal law a completely new head in the shape of an Act for the punishment of fraud and lying. As matters stand at present, the law is almost a blank on this head. Theft is a comparatively coarse and trivial offence. Embezzlement applies to a very limited class of cases, and the Acts which relate to offences by fraudulent trustees, or by factors, brokers, &c, are of a very special and peculiar character, and are so constructed as to apply to a very small part of the frauds which are so rife amongst us. The crime of conspiracy to defraud takes a wider sweep, but to make a conspiracy there must be a combination of at least two persons for an unlawful object, and it is by no means easy to fix people with any specific design of this sort. The Act which punishes the obtaining of goods under false pretences, and the offence of cheating at common law, have been construed by the court in such a narrow spirit, and so many restrictions have been imposed upon them, that they are in practice confined to cases of a very petty character. Nothing can be more characteristic of the spirit in which the judges have dealt with this subject than the fact that they have on several occasions refused to hold that particular circumstances amounted to obtaining goods under false pretences, for fear of extending the Act to all mercantile frauds whatever.

This result, as it appears to us, is just what is wanted. Get a broad, general definition of fraud, and make fraud punishable like theft, putting it in law, as it is in morals, on precisely the same level. Of course there would be difficulty—though not, we think, so much as might be supposed—in defining fraud for penal purposes, but it is difficult to imagine a more useful undertaking than that of making such an addition to the criminal law. We are, no doubt, at present a good deal in the dark on the details of the subject. The revelations which come to light from time to time as to the state of commerce, show clearly enough the necessity which exists for further legislation, but so far as we know no systematic inquiry has ever yet been made into the subject. Why should not the present Government, who are greatly in want of practical measures to act as a sop to the British public and to find occupation for the British Parliament, appoint a commission of lawyers and merchants to inquire into the subject of mercantile fraud, and to prepare a measure for its better punishment and prevention? The report of such a commission would pay its expenses ten times over, for no sensation novel would be such amusing reading.

COLONIAL BLUE-BOOKS.

The reports respecting the present state of her Majesty's colonial possessions in North America are now before the public. That for New Brunswick states the revenue of the colony for 1864 to be £213,675, against £175,258 in the year preceding. The expenditure was £175,979, against £184,845 for 1863. The value of imports was £1,863,615, being £208,102 more than in 1863. The exports amounted to £1,052,891, being £23,562 more than in 1863. To this amount, however, the value of the ships built in the province, which was not less than £800,000, must be added, which produces a balance in the account. Many of the exports are often shipped from the American bank of the St. Croix, and consequently do not appear in the return. One hundred and sixty-three new vessels were built and registered in the course of the year. The total number now on the registers of the colony is 958, measuring 233,225 tons. The European and North American Railway, which is the property of the Government, produced \$145,057; the expenses were \$100,630. The number of passengers was 139,554. The accounts of the Post Office show a deficiency of nearly \$21,000, which is attributed to the untaxed transmission of newspapers through the post. Education has cost \$115,167. The schools in operation was 816 in number, and the scholars about 30,000. There are 22 superior schools, attended by 1,138 pupils. The university numbers 38 students, and the collegiate school 99 pupils. Applications for Crown Lands have been received to the number of 1,625, including 549 petitions to purchase land at the public auctions' and 1,076 applications to purchase land by the performance of labor.

Prince Edward's Island is represented solely by its blue-book. Governor Musgrove accompanies the Newfoundland Blue-book by a report, from which it appears that the revenue, which is chiefly derived from import duties, shows an apparent total of £125,158, against £113,034 for the preceding year. This is, however, accounted for by loans and by a special Customs duty amounting to £12,933. The value of imports is stated at £1,067,062, of which £455,308 are from the United Kingdom, and £306,851 from the United States. The expenditure of the colony, like the revenue, remains almost unaltered. There is, however, a noticeable difference in the items of which it is made up. The amount disbursed for the relief of the poor was only £15,123, being £11,593 less than in 1863, and £17,421 less than in 1862. The expenditure of 1864 was chiefly made up of payments for roads, bridges, lighthouses, steam communication, the repayment of public debt, water supply and sewerage. The exports of the colony are chiefly codfish and oil. In 1864 the seal fishery was a failure, and the amount of codfish was 150,730 cwt. less than in 1862. Owing to the rise in price the value of the smaller export was £795,460, against £787,821 for the larger. The public debt amounts to £167,261. There is no local taxation in the island, the result of which is that local improvements can scarcely ever be made, from the jealousy of the the inhabitants of the rural districts, who object to being expected to contribute, though in ever so small a proportion, to the comfort of the inhabitants of the towns. The House of Assembly consists of 30 members, returned by 15 electoral districts, of which five return three members each, five

two, and five one. The qualification is a net annual income of £600 derived from any source or the possession of property clear of all encumbrance of £500. The qualification for the suffrage consists of the occupation of a house of any value for two years before the date of the election. The electors on the register are 17,728, and the number of male inhabitants above the age of 20 was at the last census 29,192. Education in the colony has cost £13,814, and 10,437 children are in the elementary schools. The mineral wealth of the colony is very large, but no efforts have been made to develop it. Copper, lead and tin are found in large quantities, and there is a vein of marble of quality quite equal to that of the finest from Carrara. The gaol is not large, and the number of the prisoners is very small compared with the population.

The Bermuda report is accompanied by a despatch in which Governor Hamley states that the recent prosperity of the colony was owing to the blockade-running trade. As that is, however, abandoned, it will be interesting to discover whether the energy and activity evoked by it continue, or whether the colony will fall back into a lower position than before.

The report of the Governor of Vancouver's Island states the revenue for 1864 at £71,268, against £73,776 in 1863. The total expenditure has been £74,246, presenting an increase compared with that of the preceding year of £69,589. Under "Works and Buildings," £18,452 has been expended out of the road and harbor loan. The number of electors on the register is 1,213. This number, however, represents the votes, and not the voters, the number of the latter being only 890, and the surplus of votes being accounted for by the fact that many of the residents in the towns have taken up lands in the country districts which they neither occupy nor improve. The Legislative Council consists of 5 official and 3 non-official members, nominated by the Crown. The Assembly consists of 15 members elected by the constituencies. The British population numbers about 3,000, so that it is easy to understand how strongly the American element must influence the action of the legislature. Besides these there are a number of Chinese and negroes, who, with the Europeans, make up 8,000. The aboriginal Indians number about 10,000. The imports show a net decrease as compared with 1863, but there is an increase of imports from the United Kingdom of £24,367, and decrease of imports from the United States of upwards of £80,000. The record of exports is meagre and valueless, but the amount of gold exported through the banks was not less than £556,945. The last paragraphs of the despatch are peculiarly melancholy. More than 8 per cent. of the total imports to Vancouver's Island, or \$395,785, is for wines and spirits. If profit be added at the rate of 40 per cent. and the consumption of British Columbia imported through Vancouver's Island be deducted, the consumption in the last-named colony amounts to \$264,915, which, assuming the adult male population to be 5,000, gives an annual expenditure per man of 52 dollars 98 cents. In the city of Victoria there are 85 retail licenses for public-houses, in addition to 23 wholesale licenses. Outside the city there are 41 licensed houses, making a total of 149 licenses to sell drink, for which the fees payable in one year amount to £29,909. Of the social results of this state of things the Governor prudently says nothing.

MINERAL RESOURCES OF THE PACIFIC SLOPE.

ABSTRACT OF THE REPORT OF MR. J. ROSS BROWNE TO THE SECRETARY OF THE
TREASURY.

Mr. J. Ross Browne, who was appointed Special Commissioner under a provision of the Appropriation Act of July 28, 1866, authorizing the collection by the Secretary of the Treasury of "trustworthy statistical information concerning the gold and silver mines of the Western States and Territories," has submitted a valuable and interesting report, from which we condense some of the most important and interesting passages. The report embraces only the country west of the Rocky Mountains.

The product of gold and silver for Oregon, California, Nevada and Washington Territory, is estimated as follows:

In 1861.....	\$43,391,000	In 1864.....	\$63,450,000
In 1862.....	49,370,000	In 1865.....	70,000,000
In 1863.....	52,500,000		

Well informed persons estimate the product for 1866 as follows:

California.....	\$25,000,000	Colorado.....	\$17,000,000	Other sources....	\$ 5,000,000
Montana.....	18,000,000	Nevada.....	16,000,000		
Idaho.....	17,000,000	Oregon.....	8,000,000	Total.....	\$106,000,000

This is four times as great as the total product of the world less than thirty years ago. For the last thirteen years the yield of gold in California has been decreasing, but the yield of the quartz mines on the Pacific coast is increasing slowly. The following table shows the exportation of treasure from California manifested at San Francisco:

1849.....	\$4,921,280	1855.....	\$45,182,631	1861.....	\$40,639,080
1850.....	27,676,346	1856.....	48,880,543	1862.....	42,561,761
1851.....	42,582,695	1857.....	48,976,697	1863.....	46,071,920
1852.....	46,583,434	1858.....	47,548,025	1864.....	55,707,201
1853.....	57,380,034	1859.....	47,649,462	1865.....	44,084,546
1854.....	51,328,6 8	1860.....	42,203,345		

In 1861, according to Prof. Ashburner's statistics, there were thirty-eight quartz mills in California. The cost of extracting the quartz in twenty-eight of these is reported at \$2, and less than \$3, as the minimum, and \$26 as the maximum expense. In seven mills the cost of stamping ranged from 50 cents and less than \$1 to \$3, and less than \$4 per tun. In thirteen mills the cost of treatment ranged from \$1 and less than \$1 50 per tun to \$8 31. The lowest loss of mercury in working 1,000 pounds of quartz is seven pounds of mercury, and the highest 198 pounds, the yield in the former being reported at \$25 per tun, and the latter \$17 14 per tun.

In 1865, Mr. A. Remond, in the service of the State Geological Society of California, visited the districts lying between the Merced and Stanislaus rivers, from whose report it appears that the average width of lodes ranged from 1 foot to 25 feet; the average gold per tun, from \$4 to \$180; the average cost of extraction per tun, from \$1 to \$60; the average cost of transportation to mill, from 25 cents to \$11, and the average cost of treatment, from 75 cents to \$7,

In mine No. 48 (Watt's), the vein is only two inches thick, and it costs \$60 to get out a tun of ore, producing a yield of \$180 per tun, while in No. 62 (Old Whiskey Hill), it costs only 50 cents to take out a tun of rock from a vein 15 feet wide, yielding an average of \$15 per tun. Out of 67 mills, 38 were not running, 2 were ruined, and 2 unfinished. The cost of 11 mills was under \$2,900 each; of 20 mills it was between \$3,000 and \$3,900, inclusive; of 14 it was between \$5,000 and \$9,000, and of 14 it was \$10,000 or more, in one case being \$42,000. The lowest number of stamps in a mill was 3, and the highest 35. The power used in 52 mills was water; in 11 mills, steam, in 3, water and steam.

Grass Valley, in Nevada County, Cal., is the most productive gold quartz mining district in the world, the annual yield of an area within a radius of four miles being \$3,500,000, an average of \$1,700 to each laborer employed in the mines.

The total product of the Hayward claim, one of the most notable mines in California, first opened in 1851, is said to be \$6,000,000. For the year ending September 30, 1866, the receipt of bullion from the Allison mine at Grass Valley was \$531,431 41, and the net profits \$368,042 18. The richest placer mine in the State is that of the Blue Gravel Mining Company at Smartsville, in Yuba County. The yield from March, 1864, to September, 1866, was \$599,948. The Comstock lode in Nevada is the most productive in the world, a strip of land 600 yards wide and 3 miles long, yielding \$12,000,000 annually. For 1866, the yield was \$16,500,000, and the total yield since 1859 has been \$70,725,000, being only \$50,000 the first year and \$100,000 the second.

The fluctuations in mining shares in the earlier periods of mining speculations is curious. In the early part of the summer of 1859, the Ophir ground in Nevada could be bought for \$100, and the Gould & Curry for \$3 per foot. In less than eight months the former had risen to \$1,000 per foot, and the latter to \$600 per foot. In less than two years from that time the Gould & Curry was selling at the rate of \$5,000 per foot, but one year thereafter at less than \$1,000; in April, 1865, it sold for a little over \$3,000, and now can be bought for about \$500 per foot. While some at Gold Hill have fluctuated still more widely, this is not considered an extreme case.

Of the 179 mills in Nevada, 89, carrying 1,440 of the 2,564 stamps, are in the Washoe district. These mills have a capacity equal to 3,841 horse-power, and cost, in the aggregate, over \$5,500,000, all the other mills in the State having but 2,481 horse-power, and costing \$5,500,000. The Reese River region contains 32 mills, carrying 310 stamps, with a capacity of 410 horse-power, and costing \$1,500,000. The product of the State is readily calculated when it is remembered that from the Comstock lode is extracted more than 90 per cent. of all the bullion produced in Nevada.

The yield of the mines in Oregon for the present year do not exceed \$2,000,000, nearly the whole being the products of placer diggings. The yield of Washington Territory is put down at \$1,000,000, though three-quarters of this amount is the product of British Columbia. The public press of Montana claim that the product of the Territory for the year will reach \$15,000,000;

but 'this is thought too high an estimate. The product of Idaho will not fall short of \$10,000,000, some estimating it much higher.

The copper resources of the Pacific Coast are becoming important. The following table shows the exportation of ores from San Francisco since 1862 :

Year.	To New York. Tons.	To Boston. Tons.	To Swansea. Tons.	Total Tons.
1862.....	86	3,574 16-20	—	3,660 10-20
1863.....	1,337	4,308 15-20	7 15-20	5,553 10-20
1864.....	4,905 16-20	5,064	264 7-20	10,234 3-20
1865.....	4,146 3-20	9,050	2,591 16-20	17,787 19-20
1866.....	7,676 10-20	3,415 5-20	10,384 15-20	21,476 10-20

The quicksilver mines of California are known as the New Almaden mines, and have been open since 1850. In August, 1863, a period of ten years and eleven months, the total amount of ore consumed was 102,313,442 pounds, and the produce of quicksilver 308,756 flasks, or 23,519,834 pounds. From November, 1863, to December, 1864, the total product was 45,216 flasks, or 3,566,200 pounds, to which is to be added 720 flasks from washings. In 1865 the gross product was 47,078 flasks, or 3,604,465½ pounds, to which is to be added 116 flasks from washings. The gross product for 1860 was 30,029 flasks. The following is a comparative statement of all the quicksilver exported from California to various countries since 1859 :

To	1859. Flasks.	1860. Flasks.	1861. Flasks.	1862. Flasks.	1863. Flasks.	1864. Flasks.	1865. Flasks.	1866. Flasks.
New York.....	260	400	600	2,263	95	1,695	6,900	3,500
Great Britain.....	—	—	2,500	1,500	1,062	1,609	10,400	10,400
Mexico.....	108	3,886	12,061	14,778	11,590	7,488	2,650	6,480
China.....	1,068	2,775	13,788	8,725	8,889	18,908	14,250	17,250
Peru.....	571	750	2,804	3,489	3,376	4,800	5,500	5,500
Chili.....	930	—	2,059	1,746	500	2,674	2,000	2,600
Central America.....	—	—	110	40	40	30	—	—
Japan.....	—	—	50	25	—	262	—	—
Australia.....	323	100	1,850	800	300	103	200	200
Panama.....	183	130	57	424	130	45	—	—
Victoria, V. I.....	19	327	116	5	42	21	—	—
Total.....	3,899	9,448	35,995	33,747	26,014	36,918	41,800	45,900

The other quicksilver mines in California did not average 1,000 flasks per month in 1866.

Borax was discovered in California in 1856, and since that time but one company has been formed for its production. About two tons of crude crystal are produced daily.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of December, 1866, the 1st of January, and the 1st of February, 1867, comparatively :

DEBT BEARING COIN INTEREST.

	Dec. 1.	Jan. 1.	Feb. 1.
5 per cent. bonds.....	\$198,091,350	\$198,091,350	\$198,091,350
“ “ of 1867 and 1868.....	15,837,942	15,783,442	15,779,442
“ “ of 1861.....	283,740,000	283,740,850	283,745,250
“ “ 5.20's.....	861,640,300	891,125,100	910,039,500
Navy Pension Fund.....	11,750,000	11,750,000	12,500,000
	\$1,371,068,592	\$1,400,490,742	\$1,420,145,542

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$10,302,000	\$10,622,000	\$12,992,000
3-year Compound Interest Notes.....	147,837,140	144,900,840	143,084,640
3-year 7.30 notes.....	699,933,750	676,856,600	663,636,100
	<u>\$857,622,890</u>	<u>\$832,379,440</u>	<u>\$819,672,740</u>

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$22,605,794	\$16,513,590	\$15,791,454
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DEBT BEARING NO INTEREST.

United States Notes.....	\$385,441,849	\$360,497,843	\$381,427,090
Fractional currency.....	23,630,249	23,732,813	23,743,734
Gold certificates of deposit.....	19,636,500	16,442,630	19,992,980
	<u>\$429,698,598</u>	<u>\$425,673,284</u>	<u>\$430,163,804</u>
Aggregate debt.....	\$2,694,985,875	\$2,675,062,505	\$2,685,773,540
Coin and Currency in Treasury.....	135,364,637	131,737,333	142,423,791
Debt, less coin and currency.....	<u>\$2,549,621,238</u>	<u>\$2,543,325,172</u>	<u>\$2,543,349,749</u>

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

	Dec. 1.	Jan. 1.	Feb. 1.
Gold Coin.....	\$93,163,816	\$97,841,968	\$97,354,604
Currency.....	40,193,821	33,895,765	45,069,187
Total gold coin and currency.....	<u>\$133,364,637</u>	<u>\$131,737,633</u>	<u>\$142,423,791</u>

COMMERCIAL CHRONICLE AND REVIEW.

Monetary Affairs.—How affected by action of Congress.—Course of Governments.—Prices of Leading Stocks.—Rates of Interest.—Course of Gold.—Treasure Movements, &c.

The opening of the year cannot be said to have been auspicious. Monetary affairs during the past month have worn a very unsettled aspect, and business generally has been unsatisfactory. The tendency of Congressional legislation has been of a nature not to inspire confidence. Measures have been under discussion relative to radical changes in the currency, to an increase in the duties upon imports, to a curtailment of the privileges of the National Banks, to reconstruction, and to the impeachment of the President: and the natural consequence of so many important questions being crowded upon the public mind has been a wide disturbance of values. The banks have shown unusual caution. There has been a general revision of loans, borrowers being called upon to keep up their margins, and the weaker class of collaterals being discarded. This process proved to be a stronger test of the condition of the stock market than it could sustain; and securities have consequently been thrown upon the market in large amounts, causing heavy losses and several failures among the younger stock firms. The average decline in the prices of railroad shares during the month has been 7¼@10 per cent. United States securities, however, have stood with remarkable steadiness. The more confidence has been shaken in other securities, the more lenders appear to have sought safety in National bonds, and, as will be seen from the subjoined comparison, the course of prices has been upward, except on Seven-thirties and Ten-forties.

PRICES OF GOVERNMENT SECURITIES, JANUARY, 1867.

Day of month.	—6's, 1881.—		—6's, 5-30 yrs.—		—5's, 10-40 yrs.—		7-30's 1867.
	Coup.	Reg.	Coup.	Reg.	Coup.	Reg.	
Tuesday 1	106½	106½	106½	106½	99½	100	105
Wednesday 2	107½	107½	107½	107½	99½	100	105½
Thursday 3	108½	108½	107½	107½	99½	100	105
Friday 4	108½	108½	107½	107½	99½	100	105
Saturday 5	108½	108½	107½	107½	99½	100	105
Sunday 6	108½	108½	107½	107½	100	100	105
Monday 7	108½	108½	107½	107½	100	100	105
Tuesday 8	108½	108½	107½	107½	99½	100	104½
Wednesday 9	108½	108½	107½	107½	99½	100	104½
Thursday 10	108½	108½	107½	107½	99½	100	104½
Friday 11	108½	108½	107½	107½	99½	100	104½
Saturday 12	108½	108½	107½	107½	99½	100	104½
Sunday 13	108½	108½	107½	107½	99½	100	104½
Monday 14	108½	108½	107½	107½	99½	100	104½
Tuesday 15	108½	108½	107½	107½	99½	100	104½
Wednesday 16	108½	108½	107½	107½	99½	100	104½
Thursday 17	108½	108½	107½	107½	99½	100	104½
Friday 18	108½	108½	107½	107½	99½	100	104½
Saturday 19	108½	108½	107½	107½	99½	100	104½
Sunday 20	108½	108½	107½	107½	99½	100	104½
Monday 21	107½	107½	106½	106½	99½	100	104½
Tuesday 22	108	108	106½	106½	99½	100	104½
Wednesday 23	108	108	106½	106½	99½	100	104½
Thursday 24	108	108	106½	106½	99½	100	104½
Friday 25	107½	107½	106½	106½	99½	100	104½
Saturday 26	107½	107½	106½	106½	99½	100	104½
Sunday 27	107½	107½	106½	106½	99½	100	104½
Monday 28	107½	107½	106½	106½	99½	100	104½
Tuesday 29	107½	107½	106½	106½	99½	100	104½
Wednesday 30	107½	107½	106½	106½	99½	100	104½
Thursday 31	107½	107½	106½	106½	99½	100	104½
First	106½	106½	106½	106½	99½	100	105
Highest	108½	108½	108	108	100	100	105½
Lowest	106½	106½	106½	106½	99½	99	104
Latest	107½	107½	107½	107½	99½	99½	104½

The quotations for Three-years Compound Interest Notes on each Thursday of the month have been as shown in the following statement :

Issue of—	Jan. 3.	Jan. 10.	Jan. 17.	Jan. 24.	Jan. 31.
June, 1864	116½@116½	116½@116½	116½@116½	116½@117	116½@117½
July, 1864	115½@116	116½@116½	116½@116½	116½@116½	116½@116½
Aug. 1864	115½@115½	115½@115½	115½@115½	115½@116	115½@116½
Oct. 1864	114½@114½	114½@114½	114½@114½	114½@115	114½@115½
Dec. 1864	113½@113½	113½@113½	113½@113½	113½@114	113½@114½
May, 1865	111½@111½	111½@111½	111½@111½	111½@111½	111½@111½
Aug. 1865	110½@110½	110½@110½	110½@110½	110½@110½	110½@110½
Sept. 1865	109½@110	110½@110½	110½@110½	110½@110½	110½@110½
Oct., 1866	109½@109½	110½@110½	109½@110½	110½@110½	110½@110½

The first series of figures represents the buying, and the last the selling price at the first-class brokers' offices.

The total number of shares sold in the month of January, 1866 and 1867' comparatively, is shown in the following statement :

	At regular board.	At open board.	Both boards
January, 1867	765,359	1,658,325	2,423,684
" 1866	1,162,97	1,306,900	2,459,817

The amount of Government bonds and notes, State and city bonds, and company bonds sold in January, 1866 and 1867, compare as follows :

	—Governments— Bonds.	Notes.	State and city bonds.	Company bonds.	Total amount.
January, 1867	\$6,863,300	\$1,934,200	\$2,524,800	\$732,500	\$12,106,800
" 1866	4,827,200	3,340,100	962,900	3,085,500	12,155,700

The following are the closing quotations at the regular board to day, compared with those of the six preceding weeks :

	Dec. 21.	Dec. 28.	Jan. 4.	Jan. 11.	Jan. 18.	Jan. 25.	Feb. 1.
Cumberland Coal.....	65½	81	.....	90	.....	83	.....
Quicksilver.....	44	44½	45	48	44	38½	.....
Canton Co.....	45½	46½	49	46	46½	45	44
Mariposa pref.....	80½	81½	82	80½	80½	78½	80½
New York Central.....	110½	110½	110½	110½	109	101	x.d. 99½
Erie.....	69	68½	67½	64	63½	58½	56½
Hudson River.....	119½	128½	132	132	125½	121	127
Reading.....	103½	105½	104½	105½	103	71	104½
Michigan Southern.....	80½	82½	82½	80½	78	71	71½
Michigan Central.....	107½	108	107½	106½	107	108½	107
Cleveland and Pittsburg.....	85½	87½	88½	90½	90	81½	83
Cleveland and Toledo.....	124½	124½	124½	125	125½	120½	120
Northwestern.....	47	44½	45½	41½	43	38½	26½
preferred.....	78½	80	82	81½	79½	64½	64½
Rock Island.....	102½	103½	103½	102½	98½	96½	95½
Fort Wayne.....	104½	107½	104½	102½	96½	95½	97
Illinois Central.....	116½	118½	121	119	120	112½	114½

The price of Five-twenties in London has been, upon the whole, sustained, notwithstanding the unfavorable effect which at first resulted from the introduction into Congress of measures looking to the impeachment of the President, and at the close of the month prices show unusual strength :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—JANUARY, 1867.

Date.	Cons for mon.	U. S. 5-20s	Am. securities Ill. C. Erie sh's. shs.	Date.	Cons for mon.	U. S. 5-20s	Am. securities Ill. C. Erie sh's. sh's.
Tuesday.....	1	90½	72½ 80½ 46½	Friday.....	18	90½	72½ 81½ 43½
Wednesday.....	2	90½	73 82½ 46½	Saturday.....	19	90½	72½ 81½ 44½
Thursday.....	3	90½	73½ 82½ 46½	Sunday.....	20	.....	.....
Friday.....	4	90½	73½ 82½ 46½	Monday.....	21	90½	72½ 80½ 43
Saturday.....	5	90½	73 81½ 45½	Tuesday.....	22	90½	72½ 81 43½
Sunday.....	6	.....	.....	Wednesday.....	23	90½	72½ 80½ 43½
Monday.....	7	90½	73 82 46	Thursday.....	24	90½	72½ 81 43½
Tuesday.....	8	91	72½ 81½ 45½	Friday.....	25	90½	72½ 81 43½
Wednesday.....	9	91	72½ 81 45	Saturday.....	26	91	72½ 81½ 43
Thursday.....	10	91	72½ 80½ 44½	Sunday.....	27	.....	.....
Friday.....	11	91	72½ 80½ 43½	Monday.....	28	91	73 81 42
Saturday.....	12	91	72½ 80½ 43½	Tuesday.....	29	90½	73½ 82 40½
Sunday.....	13	.....	.....	Wednesday.....	30	90½	73 82½ 39
Monday.....	14	91	72½ 81½ 45½	Thursday.....	31	90	72½ 81½ 39½
Tuesday.....	15	91½	72½ 81½ 44½	Highest.....	91½	77½	82½ 46½
Wednesday.....	16	90½	72½ 81½ 44½	Lowest.....	90	72½	80½ 39
Thursday.....	17	90½	72½ 81½ 44				

The Money market has shown a very decided stringency throughout the month. In all parts of the country there have been complaints of a scarcity of money, and balances held at this centre have been naturally drawn down. The exports of cotton from New Orleans and Mobile have called for considerable remittance of currency to those points. While the general rate on call loans has been 7 per cent., yet the prevailing lack of confidence has caused money to be offered to the best borrowers on easy terms, and on Governments heavy amounts have been placed at 5@6 per cent. Discounting has been severely checked by the prevailing mistrust and by the high rates on call loans, but at the close of the month a healthier tone prevailed with respect to commercial paper, transactions being larger and at easier rates.

The following are the rates of loans and discounts during the month :

RATES OF LOANS AND DISCOUNTS.

	Jan. 5.	Jan. 12.	Jan. 19.	Jan. 26.
Call loans.....	7 @ -	7 @ -	7 @ -	7 @ -
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	7 @ -	7 @ -	7 @ -	7 @ -
Good endorsed bills, 3 & 4 mos.....	7½ @ 8	7 @ 8	7 @ 8	7 @ 8
" single names.....	8 @ 9	8 @ 9	8 @ 9	8 @ 9
Lower grades.....	8 @ 10	8 @ 10	8 @ 10	8 @ 10

The month opened with considerable speculative activity in the Gold market, but the subsequent excitement in stock movements diverted attention from the gold room, and only on the last two days of the month was there any disposition apparent to renew speculation upon extensive scale. The large supply paid out by the Treasury upon January coupons has kept the market abundantly stocked with gold, and prevented any vigorous combinations for forcing up the premium. The price opened at 132½, advanced to 137½ at the middle of the month, and subsequently fell to 134½, closing at 135½.

COURSE OF GOLD AT NEW YORK, JANUARY.

Date.	Open'g	Lowest	High't	Closing	Date.	Open'g	Lowest	High't	Closing
Tuesday.....	1		(Holiday.)		Sunday.....	20			
Wednesday.....	2 132½	132½	133	132½	Monday.....	21 136½	136½	137½	136½
Thursday.....	3 132½	132½	134	134	Tuesday.....	22 136½	136½	137½	136½
Friday.....	4 134	133½	134½	134	Wednesday.....	23 135½	134½	135½	134½
Saturday.....	5 133½	133½	134½	134½	Thursday.....	24 134½	134½	134½	134½
Sunday.....	6				Friday.....	25 137½	133½	134½	134½
Monday.....	7 134½	133½	135½	133½	Saturday.....	26 134½	134½	134½	134½
Tuesday.....	8 134½	134	134½	134½	Sunday.....	27			
Wednesday.....	9 134½	133½	134½	133½	Monday.....	28 134½	134½	134½	134½
Thursday.....	10 133½	132½	133½	133	Tuesday.....	29 134½	134½	134½	134½
Friday.....	11 132½	132½	134	134	Wednesday.....	30 134½	134½	136½	135
Saturday.....	12 134	133½	134	134	Thursday.....	31 134½	134½	135½	135½
Sunday.....	13				Jan... 1867.....	132½	132½	137½	135½
Monday.....	14 134½	134½	134½	134½	" 1866.....	144½	136½	144½	139½
Tuesday.....	15 135½	134½	136½	135½	" 1865.....	228½	127½	234½	210½
Wednesday.....	16 135½	135½	136½	135½	" 1864.....	151½	151½	159½	157
Thursday.....	17 137½	135½	137	137	" 1863.....	183½	133½	160½	160½
Friday.....	18 137½	136½	137½	136½	" 1862.....	100	100	103½	103½
Saturday.....	19 136½	136½	136½	136½					

The amount of treasure received at this port from California and foreign ports and the amount exported therefrom to foreign countries during the month of January, 1867, was as follows :

Movement of Treasure at New York, January, 1867.

Treasure received at New York from California.....	\$2,472,895
do do do foreign ports (estimate).....	146,000
Total receipts from California and foreign ports.....	\$2,618,895
Treasure exported to foreign ports (approximate).....	2,750,000
Excess of exports over imports.....	131,105

Compared with the returns of the ten previous years the following results :

COMPARATIVE MOVEMENT IN 1867 AND THE TEN PREVIOUS YEARS.

JAN.	Receipts from California.	For. Ports.	Total.	Exports to For. Ports.	Excess of Imports.	Exports.
1867.....	\$2,472,895	\$146,000	\$2,618,895	\$2,750,000	.....	\$131,105
1866.....	1,485,314	72,771	1,558,087	2,709,336	.....	1,148,249
1865.....	2,043,467	52,268	2,095,725	3,181,853	.....	1,089,128
1864.....	939,201	141,790	1,080,991	6,459,079	.....	4,378,088
1863.....	2,337,623	101,906	2,439,529	4,624,574	.....	2,184,966
1862.....	2,199,533	163,658	2,363,191	2,668,274	.....	295,083
1861.....	4,185,105	7,262,229	11,447,334	58,894	11,388,440	.....
1860.....	3,643,844	228,050	3,871,894	853,562	3,018,332	.....
1859.....	2,587,013	71,308	2,658,321	2,305,668	352,653	.....
1858.....	3,173,219	309,672	3,482,891	4,745,611	.....	1,262,820
1857.....	2,730,007	886,509	3,616,516	1,307,946	2,308,570	.....

The Foreign Exchange market has been high and firm, but towards the close fell suddenly and weakened. This latter movement is due to the large shipments of cotton and Government bonds which were made in the early of the month. The following table shows the daily range for first-class bills :

COURSE OF FOREIGN EXCHANGE (60 DAYS)—JANUARY

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1		(New Year's Day—Holiday.)				
2	109 @ 109½	517 @ 514½	41½ @ 41½	78½ @ 79	36½ @ 36½	72 @ 72½
3	109½ @ 109½	516½ @ 515	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
4	108½ @ 109½	517½ @ 515	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
5	109½ @ 109½	517½ @ 515	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
6						
7	109½ @ 109½	516½ @ 515	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
8	109½ @ 109½	517½ @ 515	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
9	109½ @ 109½	518½ @ 515	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
10	109½ @ 109½	518½ @ 515	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
11	109½ @ 109½	516½ @ 516½	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
12	109½ @ 109½	516½ @ 515	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
13						
14	109½ @ 109½	516½ @ 513½	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
15	109½ @ 109½	516½ @ 515	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
16	109½ @ 109½	516½ @ 513½	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
17	109½ @ 109½	516½ @ 513½	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
18	109½ @ 109½	516½ @ 513½	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
19	109½ @ 109½	518½ @ 516½	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
20						
21	109½ @ 109½	518½ @ 516½	41½ @ 41½	78½ @ 79	36½ @ 36½	72½ @ 72½
22	109½ @ 109½	518½ @ 515	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
23	109 @ 109½	520 @ 516½	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
24	109 @ 109½	520 @ 516½	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
25	109½ @ 109½	516½ @ 515	41½ @ 41½	79½ @ 79½	36½ @ 36½	72½ @ 72½
26	109½ @ 109½	518½ @ 516½	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
27						
28	108½ @ 109½	520 @ 516½	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
29	108½ @ 109	520 @ 515	41½ @ 41½	78½ @ 79½	36½ @ 36½	72 @ 72½
30	108½ @ 109	520 @ 515	41½ @ 41½	78½ @ 79½	36½ @ 36½	72 @ 72½
31	108½ @ 108½	518½ @ 517½	41½ @ 41½	79 @ 79½	36½ @ 36½	72½ @ 72½
Jan.	108½ @ 109½	520 @ 513½	41½ @ 41½	78½ @ 79½	36½ @ 36½	72 @ 72½
Year.	105½ @ 110	545 @ 507½	39 @ 42½	75 @ 80½	34½ @ 37½	68 @ 75½

Short sight on London has been as follows :

Days.		Days.		Days.	
1	@	11	110½ @ 110½	21	110 @ 110½
2	109½ @ 110½	12	110½ @ 110½	22	110 @ 110½
3	110 @ 110½	13	@	23	110 @ 110½
4	110½ @ 110½	14	110½ @ 110½	24	110 @ 110½
5	110½ @ 110½	15	110½ @ 110½	25	110 @ 110½
6	@	16	110½ @ 110½	26	109½ @ 110½
7	110 @ 110½	17	110½ @ 110½	27	@
8	110 @ 110½	18	110½ @ 110½	28	109½ @ 110
9	110 @ 110½	19	110 @ 110½	29	109½ @ 109½
10	110½ @ 110½	20	@	30	109½ @ 109½
				31	109½ @ 109½

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Returns of the New York, Philadelphia, and Boston Banks.

Below we give the returns of the Banks of the three cities for the month of January.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5.	\$ 57,852,460	12,794,892	32,762,779	202,533,564	65,026,121	468,987,767
January 12.	258,935,468	14,613,477	32,621,108	209,517,608	63,246,370	601,132,006
January 19.	255,033,223	15,365,207	32,864,928	201,500,115	63,235,361	520,040,028
January 26.	251,674,801	16,014,007	32,957,198	197,952,076	63,426,659	568,822,814

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5.....	\$20,309,064	52,312,317	903,663	10,388,820	41,806,327
January 12.....	20,006,255	52,528,491	903,820	10,380,577	41,023,431
January 19.....	19,448,099	53,458,307	877,548	10,381,595	30,048,645
January 26.....	19,363,374	52,168,473	880,583	10,384,683	39,001,779

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 7.....	\$97,009,342	1,183,451	17,033,377	40,824,618	24,580,367	312,664
January 14.....	93,411,773	1,334,300	16,829,495	40,246,216	24,997,446	311,749
January 21.....	95,988,992	1,078,160	16,691,299	38,679,604	24,275,162	301,911
January 28.....	97,691,329	1,058,839	16,816,481	39,219,241	24,716,597	302,296

WOOL TRADE FOR 1866.

Mr. James Lynch, broker, has compiled the following statement of the stocks, imports, exports, & , of wool for 1866 :

STOCK OF WOOL IN NEW YORK.

Jan. 1.				1867.	1866.	1865.	
Domestic fleece.....			lbs.	4,450,000	3,000,000	4,200,000	
Pulled.....				800,000			
Texas.....				930,000	250,000		
California and Oregon.....				1,150,000	1,250,000	500,000	
Total domestics.....				7,330,000	4,500,000	4,700,000	
	1867.	1866.	1865.		1867.	1866.	1865.
	bales.	bales.	bales.		bales.	bales.	bales.
Cape.....	6,600	2,500	12,000	East India.....	4,500	4,000	3,000
Australian.....	630			Donskol.....	900	200	350
Merino.....	100	3,000	2,000	Mediterranean.....	900	3,500	6,000
Coarse S. Am.....	830	450	7 1/2	Sundry.....	1,100	1,800	3,000
Wine Chilean.....	900	600	4 1/2				
Total foreign ailes.....					25,460	16,050	27,450
Stock in pounds.							
Foreign.....				14,302,500	7,800,000	18,000,000	
Domestic.....				7,330,000	4,500,000	4,700,000	
Total.....				22,232,500	12,300,000	17,700,000	

FOREIGN IMPORTS OF WOOL AT NEW YORK.

Jan. 1 to Dec.	1866.	1865.	1864.	Jan. 1 to Dec. 31.	1866.	1865.	1864.
From—	bales.	bales.	bales.	From—	bales.	bales.	bales.
Buenos Ayres.....	22,693	14,420	14,360	France.....	313	1,645	20,965
Montevideo.....	1,980	750	3,923	Russia.....	3,151	7,115	9,445
Rio Grande.....	1,817	2,071	1,668	Antwerp.....	892	1,570	1,746
Chili.....	926	2,947	3,487	Hamburg.....	737	104	1,081
West Indies.....	275	60	1,433	Bombay.....	1,312	5,670	3,566
C. Good Hope.....	14,007	6,617	27,394	Sundry.....	110	846	9,018
Adelaide.....	1,152	1,109		Total.....	58,724	53,429	113,668
England.....	9,259	9,205	15,602				
Total.....				Total.....			
Foreign, 1866.....			58,724	Foreign, 1863.....			107,371
Foreign, 1865.....			53,429	Foreign, 1862.....			88,883
Foreign, 1864.....			113,668				

COASTWISE ARRIVALS OF WOOL AT NEW YORK.

From	Bales.	Bales.	Bales.	Jan. 1 to Dec. 31.	1866.	1865.	1864.
Jan. 1 to Dec. 31.	1866.	1865.	1864.	From	Bales.	Bales.	Bales.
San Francisco.....	2,660	8,326	5,435	Sundry Southern.....	568	343	
San Francisco via Aspinwall.....	5,134	5,671	6,831	Interior by railroad, canal and river steamers.....	65,045	70,036	100,000
Texas.....	11,894	1,644		Interior, in transit.....	39,413	45,000	23,000
New Orleans.....	2,918	1,014					
Savannah.....	882	555					

TOTAL ARRIVALS OF WOOL IN NEW YORK IN 1866.

	Bales.	Pounds.		Bales.	Pounds.
Foreign.....	58,734	38,068,176	New Orleans.....	2,918	1,167,200
California.....	7,694	8,847,000	Sundry Southern.....	568	113,600
Texas.....	14,894	4,468,800	From interior.....	65,045	13,009,000
Savannah.....	862	362,040			
Total.....				150,705	59,033,216
1865.....				136,023	40,480,203
1864.....				225,484	77,699,443

FOREIGN WOOL IMPORTED INTO UNITED STATES.

	1866.	1865.	1864.
New York.....	38,068,176	30,366,540	51,798,943
Boston.....	20,027,958	14,392,413	20,780,124
Philadelphia.....	171,000	450,000	1,513,000
Baltimore.....	597,150	596,800	870,980
Total.....	56,862,284	45,604,752	74,963,047

ESTIMATE OF TOTAL WOOL CLIP OF THE UNITED STATES IN 1866.

	Pounds.
Washed—On sheep, tub-washed and pulled.....	120,000,000
Unwashed—California and Oregon.....	9,000,000
Texas.....	6,000,000
Sundry Southern.....	2,000,000
Total.....	137,000,000
Yielding about one-half pure wool, or say.....	68,500,000
The product of 56,862,284 lbs. foreign may be set down at 40 per cent. clean.....	22,744,913
Leaving of pure wool, grown and imported in 1866.....	91,244,913

There are in the United States about 1,600 woolen mills, containing about 6,000 sets of carding machines, capable of consuming annually 170,000,000 lbs. clean material.

DEBT OF NEW YORK CITY AND COUNTY.

The following statement taken from the annual message of the Mayor of New York will show the aggregate amount of the City and County debt, and the particulars in relation to it:

Debt of the City and County of New York, Dec. 31, 1866.

CITY FUNDED DEBT.

Water Stocks—Issued on account of introducing the Croton water into the city and distributing the same.....	\$10,782,800 00
Central Park Stocks—Issued on account of Central Park and the improvement of the same.....	9,923,571 00
Fire Indemnity Stock—Issued for the payment of damages for blowing up buildings, December, 1835.....	402,768 01
Building Loan Stock—Issued on account of building workhouse on Blackwell's Island.....	190,000 00
Real Estate Bonds—Issued in settlement with State lessees of West Washington Market, for payment to the State for sundry lands filled in beyond the boundary line of the Montgomery charter and for purchase of Ft. Gansevoort property	1,133,437 50
Stocks for Docks and Slips—Issued for rebuilding and repairing public docks and slips.....	500,000 00
Floating Debt Fund Stock—Issued for liquidating and funding Floating Debt in 1839.....	2,748,000 00
Public Education Stock—Issued for payment of debt of Public School Society ...	154,000 00
Stock for Rebuilding Tompkins Market.....	51,000 00
Volunteer Soldiers' Family Aid Fund Bonds—Issued to provide for the families of soldiers in the United States Army.....	3,766,500 00
Volunteer Soldiers' Family Aid Fund Redemption Bonds—Issued to extend the time of payment of Volunteer Soldiers' Family Aid Fund Bonds, No. 3.....	500,000 00
Volunteer Soldiers' Bounty Fund Redemption Bonds—Issued for redemption of a like amount of bonds for payment of bounties to Volunteer Soldiers.....	490,000 00
Total Funded Debt of City.....	\$30,642,078 50

COUNTY FUNDED DEBT.

Harlem Bridge Bonds—Issued for erecting a bridge across Harlem River at McComb's Dam.....	\$20,000 00
County Court-house Stock—Issued, as its title indicates, for the erection of the New Court-house in Chambers street.....	1,900,000 00
Soldiers' Substitute Bounty Redemption Bonds.....	\$7,300,000 00
Soldiers' Substitute and Relief Redemption Bonds.....	948,700 00
Soldiers' Bounty Fund Bonds.....	4,000,000 00
Soldiers' Bounty Fund Bonds, No. 2.....	376,600 00
Soldiers' Bounty Fund Bonds, No. 3.....	745,800 00
The above were issued to provide means for the payment of bounties, and for substitutes for the armies of the Union.	
Riot Damages Redemption Bonds.....	1,200,000 00
Riot Damages Indemnity Bonds.....	620,000 00
Total Funded Debt of County.....	\$11,509,100 00

RECAPITULATION—FUNDED DEBT.

City.	
Amount payable from Sinking Fund.....	\$2,423,376 50
Amount payable from taxation.....	8,209,500 00—30,633,076 50
County.	
Amount payable from taxation.....	11,509,100 00
Total.....	\$42,142,176 50
The Commissioners of the Sinking Fund hold on account of the above debt the sum of.....	11,340,298 11
Net amount City and County Funded, December 31, 1866.....	\$30,901,878 39

Of the foregoing debt it will be perceived that \$10,782,800 is for Croton Water works, \$9,925,571 for Central Park, and \$14,445,600 for expenses growing out of, and connected with the war.

TEMPERARY CITY DEBT.

Revenue Bonds of 1866—Issued in anticipation of collection of taxes of 1866....	\$683,500 00
Street improvement Fund Bonds—Issued to pay contractors for improving the streets in anticipation of the collection of assessments therefor.....	1,642,600 00
Assessment Fund Bonds—Issued to pa. for opening, widening, &c., of streets, in anticipation of the collection of assessments therefor.....	400,000 00
Total Temporary Debt of the City.....	\$2,726,400 00

TEMPORARY COUNTY DEBT.

Revenue Bonds of 1866—Issued in anticipation of collection of taxes of 1866....	307,300 00
---------------------------------------------------------------------------------	------------

RECAPITULATION—TEMPORARY DEBT.

City.....	\$2,726,400 00
County.....	307,300 00
Total Temporary Debt, City and County.....	\$3,033,600 00

For the payment of this Temporary Debt the city holds assets in the shape of assessment liens, unpaid taxes, &c., &c.

The net amount of funded debt is \$855,996 less than it was at the close of 1865, and the City and County Temporary Debt is \$1,659,700 less than it was at that date.

The whole debt is well secured, for it is a lien upon the whole property of the city, both public and private. The Sinking Fund (provided for the payment of the principal and interest of a large portion of it) is in a sound condition. The revenues for the payment of the interest on that portion of it payable from this Fund are greatly in excess of what is required for that purpose, and the accumulations for payment of the principal will be ample to pay it long before its maturity.

BOSTON DIVIDENDS.

We are indebted to Joseph G. Martin, of Boston for tables of Railroad, Manufacturing and Miscellaneous Dividends, payable in that city in January. The railroads show a profitable year, their dividends in many cases exceeding those of last

year. This is probably due, in great part, at least to the decrease in the expense account, by reason of the lower charges for wages and railroad material. On the other hand the exhibit of the manufacturing companies is not so favorable, although many of them are still dividing large profits among their stockholders. Below we give the dividends for this year, adding also, for comparison, those for the previous year.

DIVIDENDS OF RAILROAD COMPANIES.

Payable Jan.	Stocks.	Capital.	Dividends.				Amount January, 1867.
			July, 1865.	Jan. 1866.	July, 1866.	Jan. 1867.	
10.	Berkshire Railroad	\$330,000	1%	1%	1%	1%	\$5,500
1.	Boston and Lowell	1,830,000	2	4	4	4	73,200
1.	Boston and Maine	4,155,700	4	4	5	5	207,785
1.	Boston and Providence	3,860,000	5	5	5	5	168,000
1.	Boston and Worcester	4,500,000	4%	5%	5	5	225,000
—	Cape Cod (par 60)	600,000	3%	4%	3%	•	.....
1.	Concord & Portland guard.	350,000	3%	3%	3%	3%	12,250
1.	Connecticut River	1,591,000	4	4	4	4	63,640
1.	Eastern	3,185,000	3	4	4	4	126,200
1.	Eastern in N. H.	492,500	3	4	4	4	19,700
1.	Fitchburg	3,540,000	3	4	3	5	177,000
1.	Metropolitan	1,250,000	—	—	0	5	62,500
1.	Michigan Central	7,552,700	4	5	5	5	375,135
1.	New Bedford and Taunton	500,000	4	4	4	5	25,000
1.	Old Colony and Newport	4,798,300	4	4	4	3	143,949
1.	Philadelphia, Wil. & Bal.	7,178,850	—	—	5	5	358,943
1.	Pittsfield and No. Adams	450,000	3	0	3	3	13,500
1.	Providence and Worcester	1,700,000	4	4	4	4	68,000
1.	Taunton Branch	250,000	4	4	4	4	10,000
1.	Vermont & Massachusetts	2,860,000	—	2	1%	1%	42,900
1.	Western	6,710,800	4	6	5	5	335,541
1.	Worcester & Nashua	15,223 sh.	\$3	\$4	\$4	\$4	60,888
Total							\$2,574,729

* Not heard from.

DIVIDENDS OF MANUFACTURING COMPANIES.

Payable Jan.	Stocks.	Capital.	Dividends.				Amount January, 1867.
			July, 1865.	Jan. 1866.	July, 1866.	Jan. 1867.	
1.	Androscooggin	\$1,000,000	15	25	20	20	\$200,000
*	Appleton	600,000	5	20	10	10	60,000
—	Atlantic	1,500,000	0	10	4	0	.....
1.	Bates	1,000,000	10	25	10	5	50,000
1.	Chicopee	420,000	20	30	15	20	84,000
*	Cocheco	2,000 sh.	\$20	\$40	\$50	\$50	100,000
1.	Contoocook	140,000	..	4	4	5	7,000
*	Douglas Axe	400,000	5	5	10	5	24,000
*	Dwight Mills	1,700,000	0	3	3	0	.....
1.	Franklin	600,000	5	10	10	10	60,000
1.	Great Falls	1,500,000	0	5	3	3	45,000
*	Hamilton Cotton	1,200,000	0	5	0	5	60,000
1.	Hill Mill	700,000	5	10	20	20	140,000
*	Jackson Company	600,000	5	15	5	5	30,000
*	Lancaster Mills (par 400)	800,000	6%	20	25	10	80,000
*	Langdon Mills	225,000	5	25	25	25	56,250
1.	Lowell Bleachery	300,000	5	5	5	5	15,000
*	Manchester P. W.	1,800,000	4	12	6	6	108,000
1.	Massachusetts Mills	1,800,000	3	7	0	6	108,000
*	Merrimack	2,500,000	..	..	7%	15	375,000
*	Middlesex Mills	750,000	7%	10	5	5	37,500
*	Nashua	1,000,000	10	25	10	10	100,000
1.	Naukeesag	1,200,000	4	10	10	12	144,000
1.	Newmarket (par 700)	600 sh.	\$21	\$100	\$50	\$70	42,000
*	Pacific	2,500,000	10	14	12	12	300,000
1.	Salisbury	1,000,000	7%	15	10	7%	75,000
—	Salmon Falls (par 300)	600,000	3	7	3	0	.....
*	Stark Mills	1,250,000	8	12	5	10	125,000
1.	Washington Mills	1,650,000	8	10	10	10	165,000
Total							\$2,590,750

* Payable on demand.

CIRCULAR FROM TREASURER SPINNER.

The following circular to certain collectors of customs, receivers of public money and others, was issued by the United States Treasurer the past week :

TREASURY DEPARTMENT TREASURER'S OFFICE }
WASHINGTON, Dec. 17, 1866. }

In order to realize with the least possible delay and expense the receipts of revenue derived from customs, sales of public lands, and from other sources, collected at offices not contiguous to an assistant treasurer or designated depository, and to facilitate the necessary disbursements of the Treasury, it is important that the Treasurer be kept duly advised of the amount of money in your hands. To this end you are required to render in this office a statement of receipts and disbursements at the end of each calendar month. This statement must be made out and remitted by the first mail of the succeeding month. Any neglect or want of promptness in this particular will be noticed by the department.

In these statements you will bring forward balances from the last account, and place thereunder, to the credit of the Treasurer, the amount of all moneys received since the previous return, if any arranged, when transactions are in more than one kind, under separate columns for coin and currency; to his debit, arranged in like manner, the amount of Treasurer's draft made on you or on other officers and paid by you, and the amount of any deposit made by you to the Treasurer's credit with any government depository. The number, amount and date of payment of each draft will be given; also the date, amount and name of depository with whom credit has been so made. Deposits of coin for customs receipts, under law, cannot be made with any national bank. No debit to the Treasurer's account will be allowed, except for drafts or deposits made as above. All drafts or vouchers, properly endorsed and cancelled, or stamped as paid, must be transmitted to the Treasurer, with the account current on which they were entered; such charge will not be allowed until they are remitted. Care should be exercised in having all drafts properly endorsed before payment. General powers of attorney to endorse must be on file, either in this office or with the First Comptroller of the Treasury, and special ones, for a particular transaction, must accompany the drafts. Companies or banks must endorse by one of their legalized officers, or by their attorneys aforesaid. No guarantee of any endorsement, nor stamped endorsements, will be recognized. As a matter of security against loss of drafts in transmission you should take from the last payee a receipt for the amount of each draft paid, rehearsing number, date, amount and name of original payee.

Should the Treasurer direct you, in writing to make payment of any of his drafts on himself, or on any Assistant Treasurer, United States depository, National Bank designated as such, you will pay them if you have sufficient funds on hand the same as if made on yourself, and remit the draft, endorsed "for credit of my account," over your official signature, to the Treasurer of the United States, at Washington, where the amount will be credited, and certificate of deposit or duplicate issued and forwarded—original to the Secretary of the Treasury, and duplicate to the payor of the draft.

F. E. SPINNER, Treasurer United States.

EXAMINATION OF TREASURY DEPARTMENT—COPY OF THE BILL ENFORCING THE SAME.

The following is an exact copy of the Senate bill enforcing a periodical examination of the Treasury Department, with a view to securing that publicity which is indispensable to efficiency and responsibility on the part of public officers :

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That immediately after the passage of this act, and in the month of December of each year hereafter, the President shall, by and with the advice and consent of the Senate, appoint three citizens not holding any office under the Government of the United States, who are eminent for integrity and ability, and who are hereby authorized and directed to make full and thorough examinations of the Treasury Department, and such other departments as the provisions of this act may require, and present duplicate reports to the President and to Congress in reference to—

1st. The receipt and disbursement of public money, including expenditures, in the several executive departments.

2d. The actual amount of money in the Treasury of the United States, specifying

whether in coin, United States notes, or national bank notes, the amount of each, the several funds to which it belongs, and the amount in each place where public money is deposited or held.

3d. The amount of money deposited with designated depositories to the credit of the Treasurer, and the mode of managing and securing the same.

4th. The amount and description of bonds deposited in the Treasury by national banking associations to secure the redemption of their currency.

5th. The manner of paying interest on the bonds of the United States, and the safeguards against the duplication or counterfeiting of coupons.

6th. The sale of gold, and the purchase and sale of bonds and other securities of the United States, rates of purchase or sale, and the amount of commissions paid and to whom paid.

7th. The engraving, printing and issuing of national bank notes, United States notes, fractional currency, bonds and other securities of the United States.

8th. The redemption, cancellation and destruction of national bank notes, United States currency, bonds and other securities, and the mode of disposing of imperfect sheets of paper intended but not used to represent value.

9th. The manner of keeping accounts, auditing claims and issuing warrants for the payment of money from the Treasury.

10th. Any suggestions or recommendations affecting the efficiency and security of transactions in the Treasury Department, or economy in the public expenditures.

Sec. 2. And be it further enacted, That for the purpose of the examination authorized and directed in the preceding section, said examiners shall have access to all the vaults, safes, deposits, books, records, letters and other documents in the Treasury Department, sub treasury, or any bureau thereof, and shall have power to summon witnesses, administer oaths, and employ a clerk and stenographer.

Sec. 3. And be it further enacted, That said examiners shall each receive ten dollars per day and actual expenses, during the time actually employed in making such examination and report; and for the pay of said examiners, their clerk and stenographer, and for their actual expenses, there is hereby appropriated ten thousand dollars, or so much thereof as may be necessary, out of any money in the Treasury not otherwise appropriated.

Passed the House of Representatives January 28, 1867.

NATIONAL BANKS NOT AUTHORIZED TO ESTABLISH BRANCHES, OR TO BUY COMMERCIAL PAPER AT MORE THAN SEVEN PER CENT.

Some National Banks, in as well as out of this State, have been in the habit, when they had the opportunity, of buying good paper in the open market at 8@12 per cent., while others have considered that they had the right, under the law, to open branch banks in other places, and have done so. These practices, we are informed in the following decision of the Deputy Comptroller, are unauthorized. This decision, however, is not in accordance with the opinion of some of our best lawyers.

TREASURY DEPARTMENT,
OFFICE OF COMPTROLLER OF THE CURRENCY, }
WASHINGTON, JAN. 8, 1867.

SIR—I am in receipt of your letter of the 7th of January.

Sec. 8 of the National Currency act confers upon national banks "all such incidental powers as shall be necessary to carry on the business of banking, by discounting and negotiating promissory notes, drafts, bills of exchange and other evidences of debt," and closes with this provision: "And its usual business shall be transacted at an office or banking house located in the place specified in its organization certificate."

As the law confers no authority upon a national bank to establish a branch, or to carry on the business of banking at any other place than the one where it is located, it must follow that all such banking at other points is irregular, and in violation of Sec. 8 of the law.

Such banking is also in violation of the provision of section thirty, which restricts national banks to the same rate of discount or interest allowed by law in the several States where they may be located.

National banks have no authority conferred on them to "discount or negotiate notes" otherwise than under the restriction of the thirtieth section of law; therefore a New

York National Bank is not authorized to buy commercial paper in the open market at a rate greater than seven per cent.

Very respectfully,

H. R. HULBURD,
Deputy and Acting Comptroller.

J. Thompson, Esq., New York.

The section of the Act on which the foregoing opinion is founded reads as follows :
Sec. 30. And be it further enacted, That every association may take, receive, reserve and charge, on any loan or discount made, or upon any note, bill of exchange, or other evidences of debt, interest at the rate allowed by the laws of the State or territory where the bank is located, and no more, except that where by the laws of any State a different rate is limited for banks of issue organized under State laws the rates so limited shall be allowed for associations organized in any such state under this Act. And when no rate is fixed by the laws of the state or territory, the bank may take, receive, reserve or charge, a rate not exceeding seven per centum, and such interest may be taken in advance, reckoning the days for which the note, bill, or other evidence of debt has to run. And the knowingly taking, receiving, reserving, or charging a rate of interest greater than the aforesaid, shall be held and adjudged a forfeiture of the entire interest which the note, bill, or other evidence of debt carries with it, or which has been agreed to be paid thereon. And in case a greater rate of interest has been paid, the person or persons paying the same, or their legal representatives, may recover back, in any action of debt, twice the amount of interest thus paid, from the association taking or receiving the same : Provided, That such action is commenced within two years from the time the usurious transaction occurred. But the purchase, discount, or sale of a *bona fide* bill of exchange, payable at another place than the place of such purchase, discount or sale, at not more than the current rate of exchange for sight drafts in addition to the interest, shall not be considered as taking or receiving a greater rate of interest."

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The following advertisements appear in our advertising pages this month:

MERCANTILE.

Fowler & Wells—389 Broadway.
L. Prang & Co.—Boston and New York—Hol-
iday Publications, etc.
Howard & Co.—619 Broadway—Diamonds,
Watches, Holiday Gifts, etc.
Mercantile Library—Clinton Hall, Astor Place
and Eighth St.
Ferdinand Korn—191 Fulton St.—Eau de
Cologne.
Lewis Audendried & Co.—110 Broadway—An-
thraxite and Bituminous Coal.
Grover & Baker—495 Broadway—Sewing Ma-
chines.
A. B. Sands & Co.—139-141 William St.—Drugs
Wm. Duryea, agent—183 Fulton St.—Maizena.
J. W. Bradley—97 Chambers St.—Hoop Skirts.
Chickering & Sons—632 Broadway—Pianos.

BANKERS & BROKERS.

Tenth National Bank—336 Broadway.
Barstow, Eddy & Co.—26 Broad St.
Lockwood & Co.—44 Broadway.
Vermilye & Co.—44 Wall St.

Eugene Kelly & Co.—38 Wall St.
DeWitt, Kittle & Co.—88 Wall St.
Simon De Visser—52 Exchange Place.
Duncan, Sherman & Co.—Cor. Pine & Nassau.
L. P. Morton & Co.—35 Wall Street.
Robinson & Ogden—4 Broad St.
Howe & Macy—30 Wall St.
Gilmore, Dunlap & Co.—Cincinnati.
Lewis Johnson & Co., Washington.
Ninth National Bank—368 Broadway.

INSURANCE.

New York Mutual Insurance Co.—61 William st
Fidelity Insurance Co.—17 Broadway.
Marine—Atlantic Mutual Ins. Co.—51 Wall St.
Mercantile Mut. Ins. Co.—35 Wall St.
Orient Mutual Ins. Co.
Sun Mutual Ins. Co.—49 Wall St.
Great Western Insurance Co.
Fire—Hope Fire Ins. Co.—92 Broadway.
Germania Fire Ins. Co.—175 Broadway.
Aetna Insurance Co.—Hartford.
U. S. Life Insurance Co.—40 Wall St.

THE MERCHANTS' MAGAZINE

AND COMMERCIAL REVIEW.

MARCH, 1867.

THE PREVAILING COMMERCIAL DEPRESSION.

Complaints are universal of the stagnation and the unprofitableness of business. A spring season so depressed and generally unsatisfactory as the present is hardly within the memory of our city merchants. The trade of the interior is generally reported dull and unpromising. Although the South has realized upon a large portion of its cotton crop, it is found devoid of trading spirit, and even unable to liquidate much of its indebtedness on account of last year's purchases. In the Western States merchants complain of unusual difficulty in making their collections, and have on hand a heavy balance of fall stock; the result being that their obligations to the Atlantic cities, in many cases, have to be renewed for 30 to 60 days. The New England cotton mills find the demand for goods so limited, compared with their production, that at the beginning of this month some of the manufacturers made a still further curtailment of their time of running. The woolen trade, now one of our most extensive industries, although it recently diminished its aggregate production probably quite 20 per cent., finds little relief from the reduced supply of goods, and manufacturers have to sell a large amount of their products at a discount from cost. In the leather and iron trades similar complaints prevail; and, indeed, it would be difficult to find an important exception to the common stagnation.

This condition of affairs must be regarded as, to some extent, a natural reaction from the remarkable activity of trade immediately succeeding the close of the war. For the first twelve months after peace all the markets exhibited an extreme buoyancy. Producers took no care about the probable permanency of this activity, but strained every resource for meeting the unexpectedly brisk demand, all flattering themselves that this was but an evidence of the wonderfully recuperative energy of our commerce. It turned out, however, that the large trade of 1865-6 was but a feverish impulse, inspired by hopes natural enough, but more sanguine than reasonable; and we now witness a general prostration as the result, partially, of the overstrained production of manufactures.

The more potent causes of the prevailing depression, however, lie deeper. We are in the midst of a process of recovery from the derangements incidental to the war; and the recuperation is much more painful than was the growth of the disease. When, from the rise in the gold premium and the steadily-growing scarcity of products, prices and wages were rapidly advancing, all flattered themselves upon their rapid gains, and deemed war a singularly prosperous game, never for a moment dreaming that the pleasing prosperity was altogether fictitious—the hallucination of a disease. Soon after the war ceased the unhealthy stimulus was withdrawn, and the self-curative tendencies of commerce began to assert their force. The gold premium had to decline, if we would ever return to a safe business basis; and the processes of supply and demand, in respect to products, had to be restored to their normal relation to each other, in order that the ordinary range of values might be recovered. The first thing to be anticipated was a curtailment of consumption, from the inability of the people to purchase at the prevailing high prices. The result of that process must be a steady gain of supply upon demand; and the result of that a loss to producers and to merchants upon their stocks, especially of merchandise. These losses, again, have a tendency to enforce a contraction in the consumption of the classes employing their capital in trade and manufactures; while they have also caused a certain amount of labor to be thrown out of employment, which has necessitated a still further curtailment in the consumption of the working classes. We are now in the midst of the operation of these processes; and their effect is apparent in the general lack of profit upon producing or trading operations, and a consequent curtailment in the amount of capital thus employed.

But while this process of reaction from high prices must be regarded as the chief cause of the existing commercial depression, yet contemporaneous circumstances have materially aggravated the derangements. Taxation has pressed with extreme severity upon the trade and production of the country, on the one hand lessening the profits of the manufacturer, and on the other, diminishing the purchases of consumers. In many instances the taxes, by—as we have heretofore shown—injudicious methods of impost, have driven capital from employments hitherto profitable; while the constant changes in the distribution of taxation have beset some branches of business with discouraging uncertainties. Again, the close of the war has naturally raised in Congress many fundamental measures of legislation, the discussion of which has developed differences of opinion and political animosities, which have been regarded by merchants

as involving contingencies vitally affecting the prospects of trade. Questions of reconstruction, of impeachment, of tariff, of internal revenue, of banking, of currency and currency contraction, have been raised and earnestly discussed at Washington; but upon no one of these weighty issues has any definite conclusion been reached. A protracted suspense as to the settlement of so many grave questions cannot but prove an important source of disturbance to business operations. Whilst so much remains undetermined, upon matters which directly affect the conditions of production and distribution, the only alternative presented to capitalists is employing their means at a blind venture, or remaining idle; and in many cases they choose the latter. We are not disposed to attach to Congress any undue responsibility in this matter. It must be conceded that some of these questions required to be raised at the time they have been, and were too weighty to be disposed of hastily; their discussion, however, has been needlessly protracted by partisan harangues and party schemes; and the commercial interests of the country feel sorely aggrieved that their convenience should have been disregarded in keeping open disturbing issues longer than is necessary from such unworthy considerations. The present demoralized condition of the trade of the whole country appeals loudly to Congress for moderation and despatch in the settlement of these momentous measures.

Certain movements among the operative classes have in no trifling measure helped to aggravate the embarrassments connected with the present reactionary period. It would appear to be very obviously to the interest of the working classes that they should offer no unnecessary resistance to a process resulting in the fall of prices. No class suffers so severely from high prices, and none would be so largely benefitted by a fall in values. As, however, labor constitutes almost the exclusive cost of products, it is clear that unless producers will consent to be constantly losing on their business, by paying more for labor than they get for products, the laborer must consent to a steady reduction of pay, waiting for compensation in the subsequent decline of prices. This requirement, however, is steadily resisted by the workmen; who quote existing prices as an evidence that they cannot afford to work for less. To make this resistance more effective they are combined in organizations embracing every branch of trade, and extending throughout the country. The trade associations dictate the terms upon which each member shall work, and this unanimous resistance prevents that steady process of yielding by individual workmen which would otherwise effect a gradual adjustment of the labor market to the downward tendency in prices. Many operatives are thus unnecessarily thrown out of employment; but, as the associations support them, and virtually keep their labor out of the market, those who remain in employ can, for a time, keep up their wages; and in this way the general reduction is temporarily staved off. The effect of this combined movement of the working classes is more disastrous than may appear at first sight, and should be resisted by capitalists. It involves manufacturers in unnecessary losses, without any compensating advantage to the operatives at large; while, by keeping a large proportion of the productive power of the country idle, it tends to keep up the comparative scarcity of commodities and helps to protract the period of high prices. It impedes the free operation of individual interest, and creates a large amount of sacrifice and suffering for no adequate purpose.

Such, then, are some of the principal causes for the unusual depression of trade at present existing, and it only remains for us now to consider how far this commercial situation is susceptible of remedy from legislative measures.

At the outset we should remember that the present condition of affairs is the consequence of events now past, and can only be remedied by operating on the source or seat of the disease and not directly on its results. If we can help to relieve the present feverish uncertainty, and infuse a healthy confidence among the people; if we can give to capital security in every part of the country so that it may be employed more largely in production and the development of our exhaustless resources, trade will be no longer, as it is now, a mere game of chance, but new life will at once be developed, and influences be brought into play which in time will bring us through all our present difficulties.

And here we are met by the anomalous circumstance that there are now ten millions of our population whose federal status is undetermined. Before the war that portion of our people contributed two thirds of the products by which we were enabled to pay for our large importations; and their purchases in the Northern markets took off fully one-third of our supplies of domestic and foreign merchandise. The lands and the labor which produced the cotton and rice crops and which formed the basis of our large Southern trade still remain, but the capital necessary for rendering them jointly productive is wanting; the consequence is that the process of industrial recuperation in that section is impeded, and, instead of a gradual accumulation of wealth, the people are suffering from a lack of necessary commodities, and our Southern trade is merely nominal. Northern capital waits to seek investment in the lands, the railroads and the factories of the South; but very naturally halts until it is apparent what is to be the future relation of the seceded States to the central Government. Virtually, therefore, the failure of Congress and the President to agree upon a plan of reconstruction keeps the whole machinery of Southern commerce stagnant, by causing the withholding of the funds which constitute the motive power of industry. Every day that a practicable measure of rehabilitation is postponed augments the sufferings of the Southern people, and diminishes the probabilities that the merchants of that section will be able to liquidate their obligations to the North. There is consequently the most imperative commercial necessity that the discussion of this question should be no longer protracted. The mercantile interest requires that the issue be settled promptly and permanently, and upon a basis which will command the confidence of capitalists; and a new spirit of enterprise would at once be diffused throughout the trade of the country. The migration of Northern capital Southward would call for new supplies of goods, machinery and implements, which in due time would contribute largely to the national supply of products, and help forward the process of general recuperation.

The measure which has this week been passed by Congress and now awaits the President's signature or veto, shows that these ideas are now exerting an influence. We do not care to discuss the merits or demerits of the present act, but trust that the decision of the President will be communicated to Congress before its adjournment; and if a disagreement is found to exist between the legislative and executive branches of the Gov-

ernment, that some arrangement will be made so that they may work harmoniously on this great question, and the nation once again be allowed peace and rest from this wearing strife.

But this is not the only question that needs settlement. Our foreign trade is seriously hampered by the protracted uncertainty which has for months existed as to the future duties upon imported merchandise, unsettling the values of foreign goods, and by sympathy of domestic also. The tariff measure is held in suspense just at the opening of the Spring trade; and as the value of many kinds of goods will be affected to the extent of 10@15 per cent by its provisions, there is naturally a postponement of operations, with inconvenience to all parties. In the present generally disturbed condition of affairs this matter is of the most vital consequence to men of business, and there is a universal anxiety that the tariff question be concluded at once. Among the mercantile classes and the importers the complaint is not so much against the general character of the proposed changes; for upon this point there appears to be a significant indifference among all, except a few manufacturers and producers (a willingness we suppose to submit to the burden for the sake of the experience the nation will thus receive); but it is that the question has been kept open so long as to seriously impede business; and what is asked of Congress is not so much that it be settled in any particular way, but that it *be settled promptly*.

Then, again, the extreme severity of Federal taxation is a most active cause of the prevailing depression, and one which Congress should show more disposition to alleviate. With the exception of the Hon. Justin S. Morrill, we do not remember any member of either House to have enforced upon Congress the obvious necessity for a liberal reduction of the expenditures of the Government. The ease with which revenue is raised begets an indifference about expenditures, and large sums are voted away apparently without any thought for the consequent drain upon the pockets of the people; instance, the bounties' bill, proposing an addition to the debt estimated at \$75,000,000 to \$200,000,000. It is true that a curtailment of some branches of internal revenue is proposed; but it is sought to compensate for the consequent loss of income by increasing the revenue from imports. What the country desires and vitally needs is not a seeming reduction of revenue, but a very material curtailment of expenditures, a thorough retrenchment in every branch of the public service, to be followed by a simplification of our revenue system, so as to supply the exchequer from the fewest possible sources, and thereby relieve industry and trade of much unnecessary annoyance and embarrassment. True, measures of that character have been talked of by Mr. Wells, and the Committee on Ways and Means, but almost nothing is proposed to be done immediately, and little can be done while new expenses and debts are being incurred. The most unsatisfactory aspect of the case is that our Legislators do not appreciate the necessity for prompt action in this direction; and in the meantime trade is left to struggle and languish under wholly unnecessary burdens. Even State and city governments seem to be launching into extravagances. Appropriations are made, cities and towns are bonded with a freedom which would never have been for a moment allowed previous to the war, and all this in the face of the fact that we are already suffering under our accumulated taxes. This certainly should be stopped; a system of rigid economy be at once adopted, and a thorough reconstruction of our tax system effected if we would seek to revivify the industries of the country.

Finally, it is essential to the recovery of confidence that Congress should arrive at a definite policy upon the questions of currency and banking; and that such policy should not be changed. At present the public is in doubt whether the Secretary of the Treasury is to continue contracting the volume of the currency, or his authorization for so doing is to be suspended; whether a provision is to be made for withdrawing the compound notes without deranging the banking reserves; whether the whole national bank circulation is to be displaced by United States legal tender notes, and whether the sales of gold by the Treasury are to be regulated by Congressional instructions. Uncertainty upon questions so directly affecting the value of gold and of prices generally, and having such a direct bearing upon banking operations, has a very demoralizing effect upon the trade of the country. Some, and we trust all, of these issues may be settled before the close of the session; and that none will stand over to the succeeding sitting of Congress.

Beyond the settlement of these numerous open questions legislation cannot be expected to afford any alleviation of the prevailing derangements of trade. Relief upon these points would, however, infuse new life into commerce; and for the rest, all may safely be left to self-curative tendencies. The broad fields, the vast forests, and the rich mines of the country still remain; and capital and labor in abundance await to utilize these resources. Let every legislative hindrance to enterprise be removed and wealth will again steadily accumulate, confidence will recover its wonted steadiness, and we shall prove to the world that our ability to sustain a great war is equalled only by the rapidity of our recuperation from its exhaustive effects.

HOW TO PAY THE VIRGINIA STATE DEBT.

BY A VIRGINIA TAXPAYER.

What scheme can be adopted to meet the just obligations of the State without impairing her good faith to her creditors, which at every cost should be preserved?

If the State pay all that she *justly owes*, it is all that can be asked by her creditors; and in view of her present poverty, if she decline to pay more, no complaint can be made against her; and in assuming such a position she neither proposed to *scale* or *repudiate* any portion of her honest debts.

The debt of the State as reported by the auditor of public accounts, exclusive of unpaid interest, in round numbers is *thirty-five millions* of dollars. Does the present State of Virginia owe this entire debt? It was created mainly for Internal Improvements, when the State embraced not only its present territory but also that of West Virginia. In the language of your able auditor "the debt of the State was contracted while West Virginia formed an integral part of it; and by the votes of her delegates in the General Assembly, West Virginia contributed not a little to its creation; and hence she stands this day as sacredly bound for its payments as if she had never dissolved her connection with this State. She can claim no juster exemption from its obligations than

could an individual by retiring from an embarrassed co-partnership claim thereby to be exempted from the payment of his portion of its liabilities."

Besides, West Virginia after having voted for the appropriations creating this debt, can with no propriety, say that as these improvements are not within her territory, therefore she should not pay her equitable proportion of the debt. With much more reason can the counties along seaboard and rivers, and within whose limits there is not a foot of turn-pike, plank road, railway or canal, and whose delegates opposed these appropriations, say that they should not be taxed to pay the State's debt.

By reference to the map of the State you will find, even omitting the appropriations for turnpikes and canals within the limits of West Virginia, that of the entire debt of the State \$35,000,000, an aggregate of \$25,000,000 has been expended in subscriptions and loans to railways and canals running westward, and whose termini were to be, either contiguous to or within the territory of present West Virginia, thereby in the future ensuring as much to her benefit as to that of Virginia. Again, of the entire liability of the State of say \$2,000,000, as the guarantor of internal improvements bonds, \$1,500,000 of these bonds were for the railroads and canals above referred to. Therefore West Virginia cannot claim that she should not pay her proportion of the State's debt. For her to do so, would be as reasonable as if, in the case of two farmers living on adjoining plantations and needing a common road to mill, the one living more remote from mill should demand of his neighbour next to the mill that he should build the road from the mill across his plantation at his exclusive expense, although designed to be used in common by the two. It therefore appears plain that West Virginia honestly owes a certain portion of the State debt, and the most equitable basis of settlement would seem to be the relative *area, population and property* of the two States, by the census of 1860.

Your auditor reports that "*one-third* of the whole population of the State in 1860, nearly *one-half* of its territory, and about 22 *per cent.* of the value of its real estate are now included in West Virginia." Assuming therefore that *one-third* of the debt is a proper proportion for that State to pay, and *two thirds* for this State, this scheme appears feasible: Let this State issue a circular to its creditors, reciting the facts of her loss of territory during the war; of the obligation of West Virginia to assume her proportion of the debt; of her losses incident to the war—the one item of loss of her slave property amounting to \$236,323,500, besides the losses in personal property, bank and other stocks, involving many millions; and her loss in productive white labor resulting from the death, disease and maiming of the flower of the State, during the war. And then, on the basis of these facts propose to them, that if they will surrender their bonds, she will issue new bonds for *seventy per cent.* of the old, and commence in July next the payment of 6 per cent. interest on same, giving to the creditor a certificate that he has thereby relinquished *thirty per cent.* of his debt, which he may hold as an evidence of claim against West Virginia, to be prosecuted by him or not as he may elect—but relinquishing all further claim against this State. We think that in this proposition the State would assume the full measure of her separate obligation for the debt, and that therefore no stigma could be cast upon her plighted faith.

The next question is, would the creditor accept the proposition, on due consideration of his interests? We think he would—bearing in mind that the proposition is coupled with the promise of the State to pay 6 per cent. interest on these new bonds commencing July next.

Registered bonds of the State are now selling at 31 cents; that is to say a \$100 bond will bring in the market \$31. These bonds have steadily declined in value and probably will not improve until the payment of interest is resumed. By this scheme, the creditor would receive for his \$100 bond, a new bond for \$70. It is safe to say that under the resumption of interest, this new bond would, in the financial centres of this country and Europe, sell as high as Tennessee bonds. The debt of that State is now \$30,000,000, and her bonds before the war sold below those of Virginia, and at its close were for months at about the same price as the Virginia bonds—but Tennessee having paid her interest in July last, and again the 1st inst., her bonds have averaged 70 per cent. for the past six months; therefore concluding that these new Virginia bonds will command 70 per cent., the \$70 bond would bring \$49, instead of \$31 the present market value of a \$100 bond: and the difference of \$18 or nearly 60 per cent. would be actual profit realized by the bond holder by the exchange. Would he therefore hesitate to accept this proposition, even if he should receive nothing from West Virginia? This, however, we assume would not be the result.

The thirty per cent. upon the whole debt, says :

Bonded debt.....	\$25,000,000
Unpaid back interest....	9,000,000
Total.....	\$44,000,000

would involve a claim of \$13,000,000 against West Virginia. The large bond holders would hold their claims, the smaller ones would sell out to them, and in a short time, the entire claim would be concentrated in the hands of a few, who with the aid of local and political influence and the ablest counsel before the Legislature of West Virginia, would probably secure the speediest and surest recognition of their claim founded both in law and equity; and through this direct, personal interest, much more would probably be accomplished than through the intervention of joint commissioners appointed by each State, to meet and confer at their leisure upon the question at issue.

In case any bondholders should decline to accept this proposition, thereby insisting that this State shall settle the question with West Virginia, the State in good faith recognizing her obligations might appoint commissioners for this purpose, saying to these bondholders that as soon as these commissioners can agree upon this question, she will settle with them in full, but of course until that time *paying no interest* upon these unsettled claims. We anticipate, however, that the proposition of the State would be generally accepted both for its justice and manifest advantage to the bondholders; and this opinion is fortified by the expressed views of bondholders within and without the State who are now largely interested in the debt of the State. We think there need be no apprehensions about the ability of the State to pay this year 6 per cent. interest upon this reduced debt. Those most conversant with the

resources of the State affirm that a tax of 30 cents on the \$100 will, with the present special taxes return to the treasury of the State more than sufficient to do this.

The Federal taxes for the past year averaged \$16.04 per capitem, and \$3.92 per \$100 of the aggregate wealth, real and personal of the United States. Beside these apparently heavy taxes, the following cities paid the specified *municipal* taxes :

Philadelphia	4.99	per \$100 on real estate.
New York City	3.00	" real and personal.
Brooklyn	3.41	" "
Rochester	5.63	" "
Utica	5.61	" "
Albany	3.76	" "
Syracuse	3.72	" "

In view of these figures, cannot this State, while no private debts are being paid, pay 30 cents, or if necessary 60 cents on \$100 of her property to meet her civil expenses and interest on her debt? The plan has been favorably entertained to pay three per cent. interest upon the entire debt, increasing the rate regularly through a series of years until 6 per cent. interest shall have been paid upon the debt; whereas, the reduction of *thirty per cent.* leaves only 70 per cent. to be paid, which at 6 per cent. interest would be only 4 1-5 per cent. on the present debt, or an increase of only 1 1-5 per cent. on 3 per cent. interest on the present debt. This small difference of 1 1-5 per cent. can be easily paid by economy and retrenchment, beside inspiring the tax payer with new energy and hope by the reduction of \$13,000,000 of debt.

Another proposition has been suggested: It is, that as the registered bonds of the State embrace, say *two-thirds* of the entire debt, and the coupon bonds the remainder, say *one-third*, that this State should assume as her portion, to pay the *registered bonds*, and shall provide for their interest, making no provision for the *coupon bonds*, expecting that West Virginia shall assume them as her just proportion.

While we are satisfied that it is not so designed, we think that the success of this scheme would inevitably involve the honor and credit of the State, and result in but little practical benefit to the registered bonds. Disguise it as we may, the proposition is based upon the supposed fact that the registered debt is mainly *domestic*—held within the limits of the State; while the coupon bonds are mainly *foreign*—held beyond the limits of the State. As a principle both of morals and policy we should be as much bound by our obligations to the creditor abroad as to the creditor at home. Besides it would thereby be preferring *one form* of debt, to that of another, where all were of the same dignity, contracted at the same time, and for the same object; for when the State offered her bonds for sale, she gave the election to the purchaser to take either a coupon or registered bond, and each took that form of security which best suited his convenience or purpose. Therefore, to make such a distinction, the holder of the coupon bond would justly complain that his debt had been *practically repudiated*, while that of his more fortunate neighbor had been recognized. Again, this discrimination would result in but little practical good to the registered bonds. The main proposed advantages to result from the payment of interest would be the advance in the market

value of these bonds, and the ability of the holders to hypothecate them as collaterals for the loan of monies ; and the embarrassment of the great majority of these bondholders in this State is such, as to require them to sell either a portion of their bonds or to borrow money on them. It is very evident that there is no capital within the State for either of the above purposes, and hence foreign markets must be mainly depended upon. Now suppose the holder of a registered bond should offer it for sale in Baltimore or New York upon the ground that it had just been recognized without qualification by the State, and that interest would be promptly and regularly paid on the same : the capitalist might reply that he then held an identical obligation of the State, only that it was in the form of a coupon instead of registered bond, which the State had refused to recognize, or pay interest upon, that he had been informed his only recourse was upon West Virginia and that the cause of this distinction by the State in her just debts was, that the one was *domestic* and the other *foreign* ; that the proposition was now to sell also the registered bond to him, and thereby make it also *foreign* ; and he had no guarantee that as soon as any material proportion of the registered debt should become foreign, the State would not also repudiate that, as it had done already his coupon bond. It is therefore hardly probable there would be any appreciation in the value of these bonds, or any foreign demand for them. Hence the proposition, if carried, would not only tarnish the faith of the State, but defeat the purposes which it was designed to accomplish. The first proposition makes no distinction among the State's creditors, preserves her good name, and will practically secure what the other ineffectually aims at.

DEBT AND FINANCES OF ILLINOIS.

The public debt of Illinois, as shown by the bi-annual report of the State Treasurer, amounted, on the 1st December, 1866, to \$8,638,252 21; and is accounted for in the following statement :

Class of debt.	When dated.	Payable.	Bonds, &c.	Amount.
Bank of Internal Improvement stock.....	July 31, 1837	After 1860	31	\$31,000 00
Internal Improvement stock.....	Jan. 1, 1838	"	1870 11	11,000 00
" " ".....	July 1, 1839	"	1870 10	10,000 00
" " ".....	May 1, 1840	"	1870 21	21,000 00
Refunded stock.....	July 1, 1839	In 1860	1	1,000 00
" Canal stock.....	July 1, 1839	"	1860 17	17,000 00
" stock.....	July 1, 1839	"	1863 278	278,000 00
" " ".....	July 1, 1839	"	1865 18	18,000 00
" " ".....	July 1, 1839	"	1869 84	84,000 00
" " ".....	July 1, 1839	"	1870 340	340,000 00
" " ".....	July 1, 1839	"	1876 89	89,000 00
" " ".....	July 1, 1839	"	1877 439	439,000 00
Normal University bonds.....	July 1, 1839	"	1879 64	64,000 00
Thornton Loan bonds.....	March, 1841	"	1879 143	143,000 00
War bonds.....	July 1, 1861	"	1879 511	511,000 00
" " ".....	July 1, 1861	"	1879 594	594,000 00
" " ".....	July 1, 1861	"	1879 1732	1,732,000 00
Ill. & Mich. Canal bonds—coupon.....	July 1, 1837	"	1860 150	150,000 00
" " " registered.....	July 1, 1837	"	1869 539	539,500 00
" " " coupon.....	July 1, 1839	"	1860 45	45,000 00
" " " registered.....	July 1, 1839	"	1860 168	168,500 00
" " " coupon.....	July 1, 1841	"	1870 40	40,000 00
" " " registered.....	July 1, 1841	"	1870 62	62,000 00
" " " coupon.....	July 1, 1847	"	1860 123	123,000 00
" " " registered.....	July 1, 1847	"	1860 226	226,000 00

The personal property assessed in the same two years is described as follows:

Property.	1864.		1865.		Difference.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.
Horses	723,751	\$35,148,406	798,269	\$38,055,559	+ 69,508	+ \$2,907,151
Neat Cattle	1,870,783	13,709,418	1,568,280	14,325,863	+ 197,497	+ \$76,445
Mules and Asses	89,197	1,732,809	48,058	2,267,194	+ 8,861	+ \$544, 86
Sheep	1,608,144	2,876,696	2,165,973	3,935,109	+ 559,829	+ 1,007,406
Hogs	2,044,896	2,799,158	1,743,005	3,259,631	+ 301,889	+ 580,463
Carriages and Wagons	239,959	5,428,178	259,471	6,190,293	+ 19,515	+ 692,115
Clocks and Watches	306,581	789,466	215,875	968,654	+ 8,994	+ 169,188
Pianos	5,770	615,416	7,610	548,056	+ 1,840	+ 23 6-0
Goods and Merchandise	14,808,971	.....	17,833,146	.....	.....	+ 8,326,175
Bankers' and Broker's property	1,186,166	.....	464,916	.....	.....	- 73 2 0
Capital Stock of Banks	541,171	.....	500,906	.....	.....	- 40,265
Manufactured Articles	1,663,652	.....	1,929,072	.....	.....	+ 265,220
Moneys and Credits	19,630,190	.....	20,536,1 6	.....	.....	+ 714,916
Bonds & Stocks	865,960	.....	2,043,098	.....	.....	+ 1,177,138
Unenumerated	14,436,908	.....	16,643,687	.....	.....	+ 2,206,749
Aggregate .....	.....	\$105,710,767	.....	\$119,390,323	.....	+ \$13,579,471
Deductions .....	.....	3,653,909	.....	2,967,945	.....	- 684,967
Total taxable .....	.....	\$102,057,858	.....	\$116,392,398	.....	+ \$14,344,438

The aggregate valuation for the last ten biennial periods is shown in the following statement:

1847, for tax of 1848-49	\$106,432,753	1857, for tax of 1858-59	\$407,477,367
1849, do 1850-51	119,868,386	1859, do 1860 61	368,702,043
1851, do 1852-53	224,715,968	1861, do 1862-63	330,932,479
1853, do 1854-55	325,159,633	1863, do 1864-65	331,999,871
1855, do 1856-57	386,189,384	1865, do 1866-67	392,327,906

The valuation of the real estate and personal property under the census of the United States in 1850 and 1860 gives the following as the results:

	Real Estate.	Personal Property.	Total.	True Value
Census 1850	\$81,534,885	\$33,257,810	\$114,793,645	\$156,365,006
" 1860	287,391,940	101,967,423	389,307,873	871,860,392

Without any addition of value for the different circumstances of the State in 1866, and adopting only the true valuation of 1860 as given by the federal census of that year, we may estimate the real value as three times that of the taxable value. This allows a generous margin in case the taxes should have to be increased without altering the constitutional rates. In fact the property of the State is now assessed for taxation at only a third of its actual value. The real wealth of the State at the present time is estimated by Governor Oglesby at \$1,200,000,000.

The following synopsis, taken from the Treasurer's report, shows the balance in the Treasury on the 1st day of December, 1864, the receipts and disbursements during the two subsequent years and the balance standing to the credit of the several funds on the 1st day of December, 1866:

	Bal. Dec. 1, '64.	Receipts.	Total Means.	Paym'ts.	Bal. Dec. 1, '66.
Revenue fund	\$3,233 50	1,351,739 19	1,355,053 69	1,263,623 18	66,423 51
State debt fund	589,294 44	1,406,434 63	1,995,009 12	1,264,020 63	731,583 49
Interest fund	309,256 58	1,539,747 81	1,849,003 89	1,510,455 43	538,548 47
School fund	112,075 94	226,783 53	338,809 46	297,078 64	41,733 82
Illinois Central RR. fund	198,868 20	957,450 50	1,156,318 70	1,102,436 64	31,883 16
Land tax fund	331 06	.....	331 06	.....	331 06
Unknown and minor heirs fund	701 06	743 45	1,445 11	696 36	1,149 85
War fund	10 76	29,500 00	29,510 76	29,510 76	.....
Hancock Co. in. f. ....	.....	9,465 76	9,465 76	8,960 76	515 00
Total of all funds	1,213,632 14	5,501,914 41	6,715,546 55	5,301,875 19	1,414,171 36

The income of these several funds derived from taxation is at the following rates to valuation :

For the Revenue Fund.....	12 cents per \$100 value
For the State Debt Fund.....	20 " "
Interest Fund.....	18 " "
School Fund.....	20 " "
Total for all Funds.....	70 " "

The Governor, in his message, states the population of 1865, according to the census of that year, to have been 2,141,510. This would distribute the assessed valuation of property in 1865 at the rate of \$183 20 per capita. The wealth of the State, as estimated by Gov. Oglesby, would give \$560 35 to each inhabitant. The taxation on every \$183 20, at 70c. per \$100, gives \$1 28 as the tax per capita; and such is the rapid increase in the population and wealth of the State, while its debt is decreasing, that even this moderate taxation may be reduced in coming years. The Governor already recommends the repeal of the constitutional tax of two mills on the dollar for the State Debt Fund, as the source of an unnecessary burden.

As an instance of the continued prosperity of the State, we in a few items compare the census of 1860 and 1865 :

	1860.	1865.	Increase.
Population.....	1,711,951	2,141,510	429,559
Value of manufactures.....	\$57,586,586	\$63,356,013	\$5,769,427
Live-stock, heads.....	72,501,326	122,772,564	51,271,238

The value of agricultural products in 1865 was \$83,280,848, and 380 mines produced in the same year 1,078,495 tons of coal.

These facts compare brightly with the condition of affairs previous to the definite liquidation of the debt in 1847. They show that what was a grievous burden then is now scarcely felt by the taxpayer.

CONFEDERATED BRITISH AMERICA.

The English Colonial Secretary, the Earl of Carnarvon, has given notice of his intention to introduce into Parliament a bill providing for the confederation of all Eastern British North American Provinces, excepting Newfoundland and Prince Edward's Island: and it may therefore be taken for certain that we shall shortly see the first steps accomplished towards the consolidation on our Northern frontiers of what may practically be regarded as a new nationality.

The connection between the British American Colonies and the mother country will, no doubt, be strengthened rather than weakened for a time by this consolidation; but it would be superfluous to repeat at this late day the reasons which in these columns and elsewhere, have heretofore been given for believing that the ultimate result of an effective North American Confederation must be the independence of the provinces comprised in it. The expectation of such a result has probably done more than any other single cause to secure favorable attention to the project in Great Britain; for it is quite plain, and has for some time past been plain, that the intelligent portion of the British public are more anxious than is

any considerable party in the North American provinces to sever the tie which unites those provinces with the metropolis.

The promulgation of the act of Confederation in England is to be accompanied, we are informed, by the publication of an imperial loan in aid of the construction of a complete railway communication through the provinces, and both by this means and by the substitution of a general revenue system in the place of the existing provincial tariffs, it is expected that the Canadian commerce, which has been repelled from our own borders by the abolition of the Reciprocity Treaty and by the establishment of our own present tariff rates, may be diverted to and permanently knitted with the industries of the Atlantic provinces.

It cannot be said that these expectations are upon the face of them wholly unreasonable. The British North American Provinces most certainly seem to labor under every disadvantage of soil, of climate, and of inter-communication, when they are compared with our own great Northern tier of States. But they do as certainly contain within themselves many elements of a possible national existence and prosperity, and now that this scheme of a Confederation, which was so long looked upon as chimerical, is on the eve of accomplishment, nothing is to be gained by blinding ourselves to the fact that it really may bring about, in the process of time, very serious changes in the political and commercial equilibrium of the Western Continent. If there are influences at work among the British American population which may be expected to draw those populations gradually towards a union with ourselves, there are other influences also at work among them of quite the opposite tendency. Probably the recently adopted fiscal policy of our own Government will be found in time to have supplied some of the most powerful of these latter or repelling influences. Every year which accustoms the British Americans to exclusion from our commerce, and to the development of new commercial relations with each other, will give force to these repelling influences. But without entering deeply or at length into speculations upon this point, it may be safely assumed that the establishment of the Confederation will retard, at least, if it does not avert, any drift of British American sympathies and necessities and interests towards a political union with ourselves. Let us confine ourselves, therefore, just at present, to an exposition of the "stock in trade" with which the new organization is about to commence its experiment of national life.

The "Year Book and Almanac" of British North America, gives us the means of making such an exposition; and we could sincerely wish that there existed among ourselves any exhibit of our own national and State resources at once so compendious and so clear. In this "Year Book" the population of the new Confederation is estimated to be in January, 1867, very nearly four millions in number, the annual rate of increase in the six colonies ranging from 1.50 per cent. in Newfoundland to 4.34 per cent. in Upper Canada. The distribution of this population is as follows:

Upper Canada.....	1,802,056	Prince Edward's Island	91,443
Lower Canada.....	1,288,880	Newfoundland.....	130,000
New Brunswick.....	295,084		
Nova Scotia	368,781	Total	3,976,244

We include Newfoundland and Prince Edward's here, because it is well understood that their accession to the Confederation is a mere matter of time. They stand out now only as Rhode Island and North Carolina stood out in '89 against the Union.

The proportion of native born residents to those of foreign birth is not so large in these provinces as in the United States, being 79 per cent in the former, against nearly 90 per cent in the latter. The inhabitants of French descent bear a smaller proportion than is commonly supposed to the whole body politic. They are concentrated chiefly in Lower Canada, and number throughout the new confederation no more than 261,466. They must, however, be regarded as an element likely to be at least passively unfriendly to any amalgamation with the United States; and it is probable that we must view in the same light the fact that the Roman Catholics number no less than $44\frac{1}{2}$ per cent. of the entire population, and are no less than three times as numerous as either of the two religious denominations ranking next to them in importance, the Church of England, which comprises $15\frac{1}{4}$, and the Presbyterians who stand at $15\frac{1}{4}$ per cent. of the inhabitants.

Although the agricultural population of the Provinces has been falling off of late years relatively to the numbers of those engaged in other occupations it still comprises very nearly 50 per cent of the whole, and the value of the farms of British America is set down at \$546,345,330, being rather less than half of the total estimated value of the property of the six provinces. The annual wheat crop is estimated at a little less than one-sixth, and the annual barley crop at a little more than one-third of the wheat and barley-crops of the Union; while of wool at the last returns the provinces raised somewhat less than one-eighth of the amount raised in this country. The Provincial Fisheries were nearly approximate in value to our own, being equal on an average to 75 per cent. of the latter; and during the past year, as we need hardly remind our commercial readers, the provincial ship-yards have pretty nearly monopolized the activity in that direction of the North American Continent. This point, upon which it is not agreeable to dwell, has been set forth clearly and with some not unnatural bitterness in a petition recently presented to the Senate by Mr. Fessenden in behalf of the ship-builders of Maine.

A good deal of enterprise has been directed during the past three years to the development of the mining industries of the Provinces, but as yet with no results of commanding importance. In the Report of the "Commission on the Canadian Gold Fields" for 1866 the yield of the Chaudiere district is estimated at \$116,000, but neither in the production of gold, lead or copper can the Provinces be considered to have done more than indicate their possession of resources likely to prove at some future day remunerative.

When we consider that the Provinces now raise under their separate systems a total revenue larger than was found necessary for the United States when we possessed a population no larger than theirs, it can scarcely be doubted that no serious fiscal difficulty will be found to be in the way of the experiment of confederation. Mr. Galt, indeed, who is admitted to be the ablest of British American financiers, declared recently in his place in the Canadian Parliament that during the year 1865-66 the receipts of the Canadas exceeded the expenditures by almost sixty

thousand dollars, even after allowing for the unusual militia charges of that year. The debt of the Provinces is very nearly as large as the debt of the Union in 1860, but as the charge per head of the population has been diminishing during the last five years, and now ranges from a minimum pressure of only 20 cents per head of interest yearly, in Prince Edward Island, up to a maximum pressure of \$1 25 per head of interest yearly, in Canada, it ought to be easily practicable for the financiers of the new confederation, if the experiment at all equals by its results the expectations of its advocates, to adjust any necessary burden of enlarged and prolific expenditure to the ability of the population.

The enormous sum, amounting to nearly \$150,000,000, which has already been laid out by the Provinces upon railways and canals, at once explains the origin of their existing public debt, and proves that neither British capital nor Provincial enterprise will be slow to come forward in undertakings of general value to the Provincial people. But heretofore, as Mr. Hatch in his report on Canadian and American commerce has, we think, fully shown, this outlay has failed to produce its expected results. The Provinces have tried to divert American commerce with Europe into Canadian channels, rather than to open a new Canadian commerce through British American ports by connecting the St. Lawrence directly with New Brunswick and Nova Scotia. With this object they have lavished money on canals which have so far failed to attract our Western transportation, but they are still bent on the same policy. Says Mr. Hatch :

Other Canadian routes, navigable for ships, are also projected. The longest is that proposed from Georgian Bay, on Lake Huron, to Montreal, following chiefly the Ottawa River, and connecting it with the Mattawan, French River, and Lake Nipissing. It is stated that of its whole distance, of about 480 miles, less than thirty-eight would consist of artificial canal. It is estimated by the friends of this route that the distance will be 842½ miles less by it from Chicago to Montreal than by the present means of transit by way of the lakes and St. Lawrence ; and the cost of its completion is variously computed by Canadian authorities at from \$24,000,000 to \$50,000,000.

It is also proposed to enlarge the Welland and St. Lawrence canals so as to permit the passage of seagoing vessels of 1,200 tons burden. The present dimensions of the various canals required to overcome the natural obstacles of the route from Lake Erie to the ocean, *via* the Welland Canal, Lake Ontario and the St. Lawrence are as follows :

	Length in miles.	Depth in feet.	Size of locks. in feet.	No. of locks.
Lachine.....	8½	10	200x45	8
Beauharnois.....	11½	10	200x45	9
Cornwall.....	11½	10	200x45	7
Farrand's Point.....	9½	10	200x45	1
Rapid Plat.....	9½	10	200x45	2
Point Iroquois.....	9½	10	200x45	1
Gallops.....	9½	10	200x45	2
Welland.....	28	10	150x36½	27
Totals.....	69			54

While the St. Lawrence canals, completing the system of navigation from the ocean to Lake Ontario, can now pass vessels of 800 tons burden, no vessels of more than 600 tons burden can go from Lake Ontario to Lake Erie, *via* Welland Canal, and the other lakes above the Falls of Niagara.

It will, however, we suspect be found, when the Confederate system

fairly gets into operation, that the Maritime Provinces will press for, and that the inland Provinces will be led to recognize the necessity of modifying this canal policy, and of working together to bring the Canadas directly into relations with the Atlantic coast.

Without entering now upon the strictly commercial statistics of the proposed confederation under existing circumstances, we may properly assume that the inter-provincial commerce at least must be speedily benefited by the removal of the restrictions under which it now labors; and whatever may be its ultimate issue as a form of Government, the stimulus which will be given by the experiment of Confederation to political thought and to commercial enterprise in the colonies can hardly fail, we think, to redound largely and directly to their advantage, while the operation of the experiment itself will certainly both deserve and command the very careful attention and study of our own statesmen and people.

DEBT AND FINANCES OF MICHIGAN.

The funded and fundable debt of the State of Michigan on the 30th November, 1866, amounted to \$3,979,921, and was made up as follows :

Six per cent. Renewal Loan bonds, due Jan. 1, 1978.....	\$316,000
Seven " " \$2,000,000 " " " " " " 1988.....	250,000
Six " " " " " " " " " " " " 1973.....	500,000
Six " " " " " " " " " " " " 1978.....	500,080
Six " " " " " " " " " " " " 1988.....	770,000
Seven " " War Loan bonds, " " " " " " 1989.....	1,111,500
Seven " " War Bounty bonds, May 1, 1990.....	463,000
	\$3,790,500
Six per cent. St. Marie canal bonds (guaranteed by State), due Jan. 1, 1978.....	\$100,000
Matured adjusted bonds, past due and interest stopped.....	4,000
full paid \$5,000,000 loan bonds, past due and in't stopped.....	23,000
War loan bonds, called in Jan. 1, 1986, " " " " " ".....	1,100
Past paid (unrecognized) bonds \$125,000 adjustable at.....	72,321
Total funded and fundable debt.....	\$3,970,921

The amount of this held by the several educational funds is as follows, to wit:

Primary school fund.....	\$1,268,831
Five per cent, primary school fund.....	188,631
University fund.....	979,565
Normal school fund.....	41,877
Total trust fund debt.....	\$1,728,404

The policy of investing these educational funds in State bonds has been pursued for several years, the object being the ultimate withdrawal of the State debt from the public market, and the safe investment of the funds themselves. If this policy is continued, the Treasurer in his report says, that the amount thus received, added to the annual levy of 3-16th of a mill for the Sinking Fund, will probably be sufficient to pay the State debt as fast as it matures. Deducting the investments already made, viz.: \$1,728,404, from the funded and fundable debt as above given, viz.: \$3,979,921, leaves the net amount of that debt outstanding on the 30th November, 1866. \$2,251,517.

The State tax for the year 1866 consists of the following items, viz.:

2.7-10 Mill tax (Act 263, Laws of 1865) <i>General</i>	\$464,550 97
1-3 Mill tax (Act 123, Laws of 1861) <i>Loan, Sinking Fund</i>	38,496 73
1-16 Mill tax (Act 5, Laws of 1861) <i>War Loan, Sinking Fund</i>	19,247 87
Military tax (Act 16, Laws of 1863).....	19,638 70
Appropriation for Insane Asylum (Act 192, Laws of 1863).....	40,000 00
Total amount of State tax for 1866.....	\$581,923 97

—the proceeds of which are destined for the service of 1867. The tax of 2.7-10 mills is levied, according to the Auditor's report, on the equalized valuation of 1861, and the sinking fund taxes of $\frac{1}{16}$ th and 1-16th mill on the valuation of 1866. In 1865 the State tax proper was 3.2 mills on the taxable property; in 1866 it was reduced to 2.7 mills, and for 1867 a rate of 1.5 mills, it is thought, will be abundantly sufficient, provided no extravagant appropriations be made. Specific taxes are derived from railroad, banking and insurance companies. These, especially the railroad and insurance taxes, are becoming important. A State military fund to aid, arm and equip military organizations within the State, is supported from a tax of 15c. levied on each voter.

The following statement exhibits the receipts and disbursements on account of the several funds administered by the State for the fiscal year ending Nov. 30, 1866:

	Receipts.	Payments.
General Fund.....	\$1,050,495 75	\$561,177 44
Internal Improvement Fund.....	4,001 41	8,973 55
St. Marie Canal Fund.....	14,184 60	7,530 00
War Fund.....	371,396 18	481,444 08
War Loan Sinking Fund.....	.....	261,800 00
Soldiers' Relief Fund.....	.....	10,000 00
Suspense Account Fund.....	6,000 00	.....
Primary School Fund.....	124,531 00	440,000 00
Primary School Interest Fund.....	53,766 63	137,928 36
University Fund.....	14,693 75	34,479 21
University Interest Fund.....	12,306 58	.....
Normal School Fund.....	2,712 80	40 00
Normal School Interest Fund.....	2,226 00	10,539 36
Swamp Land Fund.....	233,339 51	217,723 90
Swamp Land Interest Fund.....	7,129 48	269 92
Asylum Fund.....	2,533 54	46,031 50
State Building Fund.....	8,618 36	5 00
	\$1,901,990 69	\$1,791,385 18
Balance in Sub-Treasury, Nov. 30, 1865.....	468,401 81	.....
Balance in Treasury, Nov. 30, 1866.....	.....	579,007 52
Total amount disbursed.....	\$2,370,392 50	\$2,370,392 50

The following statement shows the principal sources of the receipts and the chief object of expenditure on account of the general fund.

Amount from taxes, &c.....	\$58,351 35	Salaries.....	\$23,594 90
Tax sales.....	180,186 87	Judiciary.....	26,697 07
Delinquent taxes and int.....	160,605 11	Appropriations.....	40,476 75
Railroad specific tax.....	160,667 14	Extra clerk hire.....	7,986 77
Bank " ".....	900 00	Awards of State Auditors.....	53,955 71
Insurance " ".....	40,039 74	State prison.....	68,000 00
Interest on surplus funds.....	15,411 18	Paid Counties, on account.....	95,804 94
Sundries, sales, redemp- tions, &c.....	84,354 36	Interest on debt.....	135,760 00
		Sundries.....	107,631 30
Total.....	\$1,050,495 75	Total.....	\$571,177 44

From this showing it appears that the resources of the State are greater than are necessary to cover ordinary expenditures, and that the credit bal-

ance is rising annually. The State debt is also being rapidly decreased, and will soon disappear, by direct payment or by absorption into the trust funds. The whole annual cost of the State expenses, including the cost of the debt, and reckoning the population at 850,000, is now only about 67½ cents per capita; and in relation to the wealth of the State only about 85 cents on the \$100 valuation. This estimate, however, does not include the school or other local taxes, of which the State Report gives no account. The equalized assessed valuation in 1866, as deduced from the rate and amount of the taxes levied for that year was \$307,965,840.

DEBT AND FINANCES OF LOUISIANA.

The Auditor of Public Accounts, in his report to the General Assembly for the year ending December 31, 1866, reports the debt and liabilities of the State at that date to have been as shown in the following recapitulation :

Liabilities for the property banks	\$4,838,983 33
Debts proper in trust funds	1,562, 65 73
Debts proper in bonds, maturing between 1867 and 1906	6,486,800 00
Certificates of indebtedness	1,477,000 00

Grand total of debt and liabilities	\$13,367,999 06
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Deducting from this sum the liabilities for the property banks, which, though represented by bonds of the State, are only contingent, the absolute debt of the State at the close of the year 1866 was ..	\$8,519,065 72
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From the total of this indebtedness can properly be deducted the following items :

State certificates of indebtedness, the same being gradually withdrawn from circulation	\$1,471,000 00
Trust funds, the amounts of which are nominal, and may be considered as mere book accounts	1,562,265 12
State bonds held by the State for the trust funds	1,190,500 00
State bonds issued to the Board of Levee Commissioners, and in possession of the State Treasurer	700,000 00—
Reducing the actual outstanding bonds to	\$4,923,765 72
	\$8,596,800 00

The following statements exhibit in detail the several classes of the debt, showing the purposes for which issued, the amount, and the dates of maturity, &c. :

Liabilities of the State for the Property Banks.

Bonds loaned the Consolidated Bank		\$541,600 00
" " Citizens' Bank, due Feb. 1866	\$1,355,833 33	
" " " " " " 1877	1,264,868 88	
" " " " " " 1884	500,000 00	
" " " " " " 1886	1 207,111 11—	\$4,997,863 33
Total amount loaned the property banks		\$4,838,983 33

Liabilities in Bonds classed as Debts Proper.

Issued for	When due	No.	Am't.	Issued for	When due	No.	Am't.
Charity Hosp	Mar. 30, '72	85	\$46,000		Nov. 1, '94	10	10,000
N. O. & Nash.					Nov. 1, '95	23	23,000
R. R. Co.	Apr. 1, '67	428	428,000		May 1, '96	52	52,000
Mex. Gulf R.					Mar. 23, '97	25	25,000
R. Co.	Dec. 18, '99	30	30,000		July 1, '97	20	20,000
do do	Mar. 11, '76	80	50,000	Stock in	Jan. 1, '98	16	16,000
do do	May 23, '70	20	20,000	Vicksburg,	Jan. 1, '98	23	23,000
State Treasury	July 18, '98	1,600	750,000	Shreveport &	Jan. 1, '99	11	11,000
	Aug. 1, '82	165	165,000	Texas R. R.	July 1, '99	18	18,000
	Feb. 1, '94	21	21,000	Co., \$293,000.	Jan. 1, 1900	18	18,000
Stock in N.	May 1, '94	229	229,000		July 1, 1900	20	20,000
O., Jackson	Nov. 1, '94	267	267,000		Oct. 1, 1900	19	19,000
& Great Nor-	Jan. 1, '95	59	59,000		Jan. 1, 1901	21	21,000
thern R. R.	Mar. 7, '95	35	35,000		Feb. 1, 1901	10	10,000
Co., \$384,000.	Apr. 1, '96	14	14,000		Nov. 1, 1901	7	7,000
	May 1, '97	20	20,000	Seminary Fund	July 1, '97	186	186,000
	Nov. 1, '97	37	37,000	Free School			
	July 1, '98	37	37,000	Fund	July 1, '97	529	529,000
	June 1, '98	76	76,000		Feb. 15, '98	104	100,000
	Aug. 1, '98	45	45,000	Expenses of	Mar. 10, '98	18	18,000
	Nov. 3, '98	16	16,000	building lev-	Mar. 14, '98	506	506,000
	Feb. 1, '94	16	16,000	ees, \$1,000,000.	Mar. 20, '98	165	165,000
	May 1, '94	268	268,000		July 1, '98	211	211,000
Stock in N.	Nov. 1, '94	85	85,000	Settlement	Feb. 15, '98	250	250,000
O., Opelous-	Jan. 1, '95	41	41,000	of coupons	Feb. 15, '98	170	85,000
as & Great	Apr. 1, '95	98	98,000	past due (Act	Feb. 15, '98	632	62,000
Western R.	Dec. 1, '95	13	13,000	No. 15, laws	Jan. 1, '87	10	10,000
Co., \$350,000.	Jan. 1, '97	16	16,000	of 1856),	Jan. 1, '87	16	1,600
	Jan. 1, '98	12	12,000	\$400,500.			
	July 1, '98	3	3,000				
	July 1, '99	10	10,000	Liabilities in bonds			\$5,485,800
	Feb. 1, 1900	10	10,000	From which deduct:			
	Jan. 1, 1901	9	9,000	State bonds held by State			
	Apr. 1, '94	66	66,000	for Trust Funds		\$1,190,500	
	Apr. 1, '95	9	9,000	State bonds issued to			
Stock in Ba-	Apr. 7, '95	18	18,000	Board Levee Com-			
ton Rouge,	May 15, '97	8	8,000	missioners and in pos-			
Grosse Tete	May 15, '98	7	7,000	sion of State treasurer.		700,000—	\$1,890,500
& Opelousas	Nov. 1, '98	12	12,000				
R. R. Co.,	Nov. 1, '99	5	5,000	Bonds in actual circulation			\$2,595,300
\$160,000.	Feb. 1, '90	6	6,000				
	Aug. 1, 1900	8	8,000				
	Aug. 1, 1901	6	6,000				
	Mar. 13, 1906	4	4,000				

The bonds issued in favor of the New Orleans and Nashville and the Mexican Gulf Railroads are 30 year bonds: all others issued before 1861 are 40 year bonds. The Levee Bonds of 1866, and the funding bonds of 1866 and 1867 are 20 year bonds.

State Certificates of Indebtedness.

Amount issued under Act No. 5, Laws of 1866	\$1,804,000 00
Less amount redeemed	425,000 00
Amount outstanding December 31, 1896	\$1,471,000 00

These certificates are receivable for all State dues, and are being paid in, which will necessitate a higher rate of taxation than has hitherto prevailed.

Debts Proper in Trust Funds.

Amounts due General Government, under deposit act	\$473,919 14
Amounts due Levee & Drainage Fund, borrowed under Acts No. 224 of 1867, and No. 45 of 1868	650,000 00
Amounts due Free School accumulating Fund, borrowed under Act No. 45 of 1863	30,000 00
Amount due Public Land Fund, borrowed under Act No. 49 of 1868	117,275 77
Loan from Louisiana State Bank, under Act No. 89 of 1862	50,000 00
Sundry Liabilities, on various accounts	65,070 81
Aggregate amount in trust December 31, 1896	\$1,562,265 72

RECEIPTS AND EXPENDITURES IN 1866.

The receipts into the Treasury for the year ending December 31, 1866 from all sources, were \$3,692,731 76, as follows :

GENERAL FUNDS—	
State taxes of 1865.....	\$407,326 50
State taxes of 1861-64.....	10,068 00—417,901 50
Duty on Sales at Auction.....	54,093 68
Licenses on trades, &c., in New Orleans ..	318,735 56
Licenses on trades, &c., in other parishes ..	92,571 56—411,397 15
Tax of $\frac{1}{2}$ per cent. on gross sales or receipts ..	459,410 99
Redemption of Lands forfeited for taxes ..	21,365 16
Vacant estates, paid into treasury.....	16,061 91
Purchases of public property in New Orleans.....	22,081 69
Tax on Lottery ticket dealers.....	26,686 31
State Certificates issued.....	1,386,000 00
Sundries.....	1,849 36—2,838,266
CURRENT SCHOOL FUND—	
Taxes of 1865.....	\$144,227 06
Taxes of 1861-4.....	6,174 75—150,401 81
Poll taxes of 1865.....	21,265 25
Poll taxes of 61-64.....	506 00—21,829 25
Redemption of lands for feited for taxes ..	12,577 26—165,811 4
INTERNAL IMPROVEMENT TAX FUND—	
Taxes of 1865.....	\$36,431 63
Taxes of 1861-64.....	1,533 17—37,964 79
Redemption of lands forfeited for taxes.....	4,474 97—42,438
LEVEE AND DRAINAGE FUND—	
Sales of swamp and over-flowed lands ..	25,853 63
Issue of State Certificates of Indebtedness ..	600,000 00—525,853 63
FREE SCHOOL FUND—	
Sales of 16th Section ..	450 43
Interest on investments ..	72,440 00
Ten per cent. tax on estates descending to foreign heirs ..	7,561 66—81,452 11
REDEMPTION OF STATE DEBT FUND—Interest on bonds held by Fund.....	
SEMINARY FUND—Interest on bonds held by Fund.....	
Total receipts for the year ending Dec. 31, 1866.....	
\$3,692,731 76	

The total expenditures, according to the State Auditor's Report amount ed to \$2,451,943 77, as follows :

General Fund.....	\$1,645,703 01
Current School Fund.....	212,712 96
Internal Improvement Tax Fund.....	78,434 98
Internal Improvement Fund.....	6,990 00
Levee and Drainage Fund.....	525,905 08
Free School Fund ..	2,017 90
Redemption of State Debt Fund.....	176 01
Seminary Fund ..	4 84
Total expenditures for the year ending Dec. 31, 1866.....	
\$2,451,943 77	
Excess of receipts over expenditures in 1866.....	
\$1,240,787 99	
Add balance, January 1, 1865.....	
\$306,818 54	
" warrants of 1865, cancelled in 1866 ..	
46,295 83	
" warrants outstanding, Dec. 31, 1866 ..	
30,923 96—433,907 33	
Balance in Treasury, December 31, 1866.....	
\$1,074,755 31	

This balance is distributed and represented as follows :

Distributed to—		Represented by—	
General Fund.....	\$1,455,149 84	Confederate notes.....	\$465,173 37
Current School Fund ..	64,750 66	Check on account of vacant state ..	6,036 60
Internal Improvement Tax Fund.....	6,371 11	State Certificates redeemed ..	425,000 00
Levee and Drainage Fund.....	20,330 84	Loan to Levee Commissioners, in exchange for State bonds ..	700,000 00
Free School Fund ..	79,434 31	State Certificates of Indebtedness ..	63,235 0
Redemption of State Fund Debt..	8,434 99	U. S. Treasury and city notes ..	15,208 34
Seminary Fund ..	265 16		
Total		Total.....	
\$1,074,755 31		\$1,074,755 31	

From this statement it appears that the large balance shown on the books is almost wholly a matter of account, and to a very small extent available in cash.

The expenditures of the General Funds are thus accounted for :

Legislature.....	\$178,955 61	Relief of University	25,000 00
Salaries	222,350 41	Relief of Insane Asylum.....	25,000 00
Department contingent expenses	16,056 70	Printing and advertising.....	49,874 55
State assessors.....	\$38,960 42	Interest on State bonds.....	64,190 00
Tax collectors	41,669 23	Levee purposes.....	500,000 00
		Relief bills.....	26,668 06
Deductions to tax collectors....	75,529 64	Foundin. Soldiers' Home.....	20,000 00
Support of State institutions....	111,153 03	Redemption of bonds.....	16,735 00
Charity Hospital (tax on lottery-ticket dealers)	145,900 00	Plates for printing certificates....	10,500 00
		Bureau of Immigration.....	9,348 10
Support of State convicts	85,275 31	Sundries	46,001 60
Repairs and maintenance of penitentiary.....	19,379 00		
	\$50,000 00	Total	\$1,645,702 01

The chief payments from the current School Fund were for support of Free Schools \$161,251 26; from the Internal Improvement Tax Fund, for interest on railroad bonds, \$48,310, and from the Levee and Drainage Fund, for repair of levees, etc., \$500,000.

The revenue from all sources, including the tax on gross receipts and income, for the year 1897, is estimated at.....	\$2,193,750
And the expenditures for the same year are estimated at.....	1,536,237
Excess of receipts over expenditures.....	\$1,607,523

These estimates may be largely modified on two accounts. The legality of the tax on gross receipts and income is contested and in suit, and if decided against the State the loss on this account will not only be the \$700,000 estimated for 1867, but also the amounts received from this source in 1866, amounting to \$459,410 99, or together \$1,159,410 99, the deduction of which from the estimates would leave a deficit to be provided for of \$551,887 99. Nor do the estimates, as above given, include the amount that may be required by the Board of Levee Commissioners, which will probably be as large as in 1866.

The Auditor makes the following pertinent remarks on subjects requiring legislative action :

The most important subject which deserves your immediate attention is the inability of the internal improvement tax fund to meet the interest due and becoming annually due on the bonds issued to the railroad companies. When the tax was created and fixed at one-fourth of one mill on the dollar, the State was in a prosperous condition, and her taxable property amounted to nearly \$600,000,000. The change undergone in the State since, resulting in the loss of over \$800,000,000 of that taxable property, renders it necessary to-day to increase the tax a sufficient amount to meet the demands against it. According to the present returns of assessors the whole taxable property in the State is set down at \$225,090,000, which at the low rate now fixed would yield if every dollar of it was collected the sum of \$56,250. The amount required annually is \$119,250, leaving therefore a deficit at the end of the present year of \$63,270. This deficit will occur every year, and unless checked immediately by legislative action will in a few years swell to large proportions.

The credit of the State has sustained serious injury of late from the inability of the Treasury to pay when due the interest on the outstanding bonds, and it is certainly time to reinstate the credit of a State whose bonds and obligations were once at a premium. The means are within your power. Amend the act fixing the tax at one-fourth of a mill, making it three-fourths. This will give a little more than needed but the surplus can be applied to the payment of back interest.

Another very important subject deserves your attention—the condition of the State Treasury during the current year. Our circulation on the first of January amounted to \$1,471,000, and it is safe to assert that so long as we have one dollar of it outstanding, no other kind of money will be received for public dues. The certificates constituting this circulation are not reissuable, and hence it becomes the duty of the Legislature to provide by law the mode and means of relieving the Treasury from the embarrassed condition in which it will be placed by its own currency. If that be done there is no need for an increased rate of taxation, so far as to meet the ordinary expenses of the State government. The proposed change in the law fixing the internal improvement tax will also place that fund in a condition to meet its interest when due, and the State will once more be able to meet all claims on demand.

I regret to say that the returned lists of unpaid taxes upon real estate alone amount to nearly \$59,000, and including the insolvent lists to over \$121,000. This is about one-fourth of the taxes assessed, and is rather too large a percentage for deductions. In justice to the State, and to those who pay their taxes regularly, some law should be passed giving authority to this office to compel delinquents to settle up.

Notwithstanding the drawbacks and difficulties surrounding the fiscal affairs of the State, and which have resulted from the disorganized condition of matters caused by the late war, it is evident from the report from which the above abstracts are taken, that the main difficulties have been overcome. Most of the past-due coupons have been funded, and with the exception of the certificates of indebtedness the floating debt of the State has been extinguished, leaving a clearer course for the future, which wise legislation and a prudent administration may improve.

CALIFORNIA BORAX.

The source of supply of this mineral is a large and shallow basin, called Borax Lake, in Napa County. It is separated from Clear Lake by a range of hills belonging to the cretaceous period, and has, under ordinary circumstances, a length of about a mile, with an average width of half a mile; but its extent varies somewhat at different periods of the year, since its waters cover a larger area in Spring than during the Autumnal months. No stream of any kind flows into this basin, which derives its supply of water from the drainage of the surrounding hills, as well as in all probability from subterranean springs discharging themselves into the bottom of the lake. In ordinary seasons the depth thus varies from five feet in the month of April, to two feet at the end of October.

The borax occurs in the form of crystals of various dimensions, imbedded in the mud of the bottom, which is found to be the most productive to a depth of about $3\frac{1}{2}$ feet, although a bore-hole, which was sunk near the centre to the depth of 60 feet, is said to have afforded a proportion of that salt throughout its whole extent.

The crystals thus occurring are most abundant near the centre of the lake, and extend over an area equivalent to about one-third of its surface; but they are also met with, in small quantities, in the muddy deposit of the other portions of the basin—some of them being, in the richest part before alluded to, over a pound in weight. The largest crystals are generally inclosed in a stiff blue clay, at a depth of between three and four feet, and a short distance above them is a nearly pure stratum of smaller ones, some

two and one-half or three inches in thickness, in addition to which crystals of various sizes are disseminated throughout the muddy deposit of which the bottom consists.

Besides the borax thus existing in a crystallized form, the mud is itself highly charged with that salt, and, according to analysis of Professor Oakland, when dried affords in the portions of the lake now worked (including the inclosed crystals) 17.73 per cent.

Another analysis of an average sample, by Mr. Moore, of San Francisco, yielded 18.86 per cent. of crystallized borax. In addition to this, the deposit at the bottom of the other portions of the basin, although less productive, still contains a large amount of borax. It has been further ascertained, by making pits on the lake shore, that clay, containing a certain proportion of borax, exists in the low ground at a considerable distance from the water's edge.

EXTRACTION OF BORAX.

The borax at present manufactured is exclusively prepared from the native crystals of crude salt, whilst the mud in which they are found is returned to the lake after the mechanical separation of the crystals by washing. The extraction of the mud is effected by the aid of sheet iron coffer dams and a small dredging machine. Until recently, the only apparatus employed consisted of a raft, covered by a shingled roof, which has an aperture in its centre about 15 feet square, and above which are hung, by suitable tackle, four iron coffer dams, six feet by six feet and nine feet in depth. This raft or barge is moored in parallel lines across the surface of the lake, and at each station the four dams are sunk simultaneously by their own weight into the mud forming the bottom. When they have thus become well imbedded, the water is baled out and the mud removed in buckets to large rectangular washing vats, into which a continuous stream of water is introduced from the lake by means of Chinese pumps—the contents of the cisterns being at the same time constantly agitated by means of rakes. In this way the turbid water continually flows off, and a certain amount of borax is finally collected in the bottom of each tank, which is subsequently recrystallized; but from the density acquired by the washing water, of which no less than 70,000 gallons are daily employed, it is evident that less than one-half of the borax existing in the form of crystals is thus obtained, whilst that which is present in the mud itself is again returned to the lake.

The dredging machine recently introduced is a decided improvement on the coffer dams, and may, by the aid of some trifling modifications, be made a very efficient machine; but the mud brought up by it is subjected to the washing process before described, and a small proportion only of the borax is obtained for recrystallization.

CRYSTALLIZATION.

The crystals of crude borax thus daily obtained now amount to about 3,000 pounds, and after being carefully washed they are deposited in boiling water, and recrystallized in large lead-lined vessels, from which the purified borax is removed into boxes, containing 114 pounds each, for the purpose of being forwarded to San Francisco.

The product of refined borax now daily obtained appears to vary from 2,500 to 2,800 pounds, which is prepared and packed for market at a cost of about \$90 per ton of 2,240 pounds.

CAPABILITIES OF PRODUCTION.

It is evident from the foregoing description that the present system of working is by no means calculated to develop the best results which this property is capable of affording, and that in order to do so it will be necessary to adopt some method for the lixivation of the mud. The total extent of this muddy deposit considerably exceeds 300 acres, and if we assume that of this area only 100 acres, or that portion now worked for Borax chrystala, is alone sufficiently rich to pay the expenses of treatment, we shall arrive at the following figures: One hundred acres are equivalent to 484,000 square yards, and if the mud be worked to the depth of only $3\frac{1}{4}$ feet, this represents 565,000 cubic yards; or, allowing a cubic yard to weigh a ton of 2,240 pounds, which is a very low estimate, the total weight of 100 acres of mud in its wet state will be 565,000 tons. If we now assume that the mud extracted from the lake contains 60 per cent. of water, this will correspond to 226,000 tons of dry mud, containing, according to the mean of the analyses of Professor Oxland and Mr. Moore, 18.29 per cent. of Borax; but if in practice only 12 per cent. of Borax be obtained, this will represent 27,120 tons of chrystalsed salt.

The present wholesale price of Borax in Europe is \$320 per ton of 2,240 pounds, and consequently the total value of the amount contained in this portion of the lake would be, on the foregoing assumption, delivered in that market, \$8,678,400. If, however, we estimate its value in San Francisco at \$275, it is, at the port of shipment, worth \$7,458,000.

The expenditure in plant and appliances of a further sum of \$30,000, would, by the process proposed by Dr. Oxland, allow of a daily production of four tons of Borax. This could be produced and delivered in San Francisco at a cost, exclusive of interest on capital and depreciation of plant, of \$70 per ton—\$1,898,400 for the 27,100 tons, and leaving a difference of \$5,559,600 between the expense of production and the market value.

The above calculations are made in accordance with the data furnished by the analysis, already quoted, of the mud of the central portions of the basin, but exclusive of a consideration of the borax contained in the deposits of other portions of the lake, as well as of the 6,000 tons of this salt, indicated by analyses, as existing, in solution, in its waters.

A careful consideration of the phenomena attending the production of Borax, also leads to the belief that its formation is continually going on, by the decomposition of carbonate of soda, by boracic acid emitted from sources beneath its bed. Should this prove to be the case it is probable that any moderate extraction of borax may be replaced by the formation constantly taking place.

SULPHUR BANK.

The sulphur bank, which presents the usual characteristic of such formations, is situated on the shore of Clear Lake, and covers an area of about 40,000 square yards. In addition to sulphur, small quantities of cinnabar are found in this locality.

The deposit has not, as yet, been extensively developed, but has already afforded 400 tons of refined sulphur, of which about three tons daily can, it is stated, be readily sold in San Francisco at \$70 per ton.

From the limited extent of the explorations which have been made, it would be difficult to estimate the probable total yield of sulphur, but it is not unreasonable to anticipate that the bank contains at least from 15,000 to 20,000 tons of that substance.

In order to make immediate returns of sulphur, a refinery has been recently erected for the treatment of the richer portions of the deposit, which frequently do not contain above 10 per cent. of impurity; but there are also vast quantities of tufaceous matters, containing from 5 to 65 per cent. of sulphur, all of which will be ultimately treated with advantage.

The cost of extracting, refining, and delivering of a ton of sulphur in San Francisco is now stated to be about \$35.

CONCLUDING REMARKS.

Mr. Phillips, in his concluding observations upon the property of the California Borax Company, says that it is evident, from the foregoing description, that it is one of great value and capable of extensive development.

The annual consumption of borax and boracic acid is estimated at 11,000 tons, of which amount the United States consumed about 500 tons; and although the discovery of new sources of supply may probably have the effect of breaking up the present monopoly, and thereby slightly reducing the prices below those assumed as the basis for calculation, there is no probability of this taking place to any considerable extent.

It may further be observed that the present import duty of 10 cents per pound will necessarily ensure the annual disposal of at least 500 tons at full prices.

The quantity of sulphur contained in the property is also large, and the duty of \$10 per ton refined, and \$6 crude, now levied, will admit of its successfully competing with Italian sulphur in the markets of the Eastern States. The present consumption of this article in California is nearly 1,000 tons per annum, and is steadily and rapidly increasing, and consequently the supply of the Pacific coast will always afford a remunerative market for this substance.

IRON VESSELS IN FRANCE.

Under the title *Navires en Fer et à Voiles*, a very remarkable work has just appeared in France, the author of which is M. Lissignol, engineer of the Imperial School of Mines, and for some time second engineer to the French Transatlantic Steam Navigation Company. The object of the book is to show—1. That the merchant navy in France is not in the state in which it might and ought to be. 2. That a marked improvement would undoubtedly take place in its position if it would resolutely substitute iron sailing vessels for wooden ones. 3. To show that iron vessels may in many respects be made superior to wooden, both as regards construction and navigability, and that, all things taken into account, they

are in reality cheaper; and to give a technical account of the building of iron ships, and of the expenses thereof. After presenting a brief sketch of the progress of iron sea-going ships in England since the construction of the first one, the Aaron Manby, in 1821, M. Lissignol, explains as follows why there was not a corresponding progress in his own country:—"In France," he says, "our merchant navy had for a long time an excuse for its immobility. The high price of iron was, in fact, one of the circumstances which retarded the generalisation of metallic vessels indispensable to the conservation and the prosperity of our commercial fleet. But other causes have contributed to the same result. All the erroneous ideas, all the prejudices which have been victoriously combated in England, still reign in our country. In 1855, when (on account of the Crimean war) wants which our shipping could not satisfy induced the Government to admit free all the materials necessary for the building of ships, and to authorise the nationalisation of foreign vessels on payment of a duty of 10 per cent., our shipowners did not think of acquiring iron ships—they confined themselves to purchasing wooden ones, the cheapness of which was the only and the deceptive merit. At a later period, when the treaty of commerce with England had reduced the price of iron sufficiently to render constructions in that metal almost the same price as those in wood, old habits continued to prevail. Prejudice is still so strong that, even this year, a superb sailing vessel in iron, built in France, and offered for sale at a reduced price in consequence of exceptional circumstances, was not able to find a buyer in any of our ports. At the present moment we scarcely count ten iron vessels in our sailing fleet, notwithstanding the striking example set by our neighbours, and the good results they have obtained." M. Lissignol insists on the superiority of iron ships over wooden ones for these reasons:—"1. They carry more with the same crew and the same expense of fitting out. 2. They cost less for keeping up and for repairs. 3. Their duration may almost be said to be unlimited, since nominally it exceeds forty years when the vessel is well built, and, consequently, the sum to be counted annually for the cost of it is much inferior to that necessary for a wooden vessel. 4. They present guarantees of security much superior even in case of accident, and, consequently, lower rates of assurance for a much longer period than the total duration of the most perfect wooden vessel. 5. They sail more quickly, and, consequently, make a greater number of voyages in the same time. 6. They offer extreme solidity, permitting the carrying without fatigue of the heaviest cargoes, which the best vessels in wood cannot receive with impunity." Our author finds yet another reason in favor of iron ships:—"With these qualities the iron vessel is eminently calculated to permit a reduction of freight in a great proportion without compromising the profit of the shipowner. If, therefore, the law of 1866 [he adds] exposes us to foreign competition by establishing equality between all flags, the construction of a good sailing fleet in iron is one of the most efficacious means of competing with advantage, especially against such of our rivals as continue to remain in the old traditions. Even the wooden cotton vessels of the Americans would inevitably disappear from our ports if we knew how to draw the freight from them with iron ships properly built and energetically commanded—especially at the present moment, when new and inopportune laws on taxation augment greatly the expenses which weigh on the merchant navy of the United States."

THE DUNDERBERG—THE OCEAN TRIAL TRIP.

One of the chief features of the celebration of Washington's Birth day, was the going to sea of the great iron-clad ram Dunderberg, on her final trial trip. The construction of this mighty engine of war has been already thoroughly described in the *Tribune* of the 30th of last July. But a few words in this respect will be now necessary. The hull of the Dunderberg is 380 feet 4 inches in length, 72 feet 10 inches in beam, with a capacity of 5,090 tons (old measurement). The side armor is of the best hammered iron, manufactured into slabs from 12 to 15 feet in length, by 8 feet in breadth, with a thickness of 3 1-2 inches; the plates being secured to the armor cushion by 1 1-8 inch bolts. The plates are placed vertically and not horizontally, as with armored vessels of European manufacture. The ram is the great feature. To form this ram the vessel has been made into a solid mass of timber from her stem extending back 50 feet; thus rendering it impossible for any shock to break it off. The ram itself is encased in a heavy jacket of wrought iron, sufficient to protect it not only from the shot of the enemy, but also from abrasion in contact. The vessel has four decks, viz: The spar-deck, covered with heavy wrought iron plates; the gun-deck, or fighting room; the engine-deck, and the fire-deck. The casemate does not cover the entire hull. There is an ample lower space extending beyond it both at stem and stern. A portion of the latter space is occupied as the ward room, and the remainder as an impenetrable iron overhang to protect the screw; while the low, flat space at the bow comprises the mighty ram itself, bearing at its extremity the long submerged cut-water, which would first strike the side of a hostile ship, in case of a collision. The vessel is now fully rigged, and has nearly all her appointments complete. She has only six guns on board at present, but these are monsters. They are all Dahlgren's, and consist of an 11 inch gun at the bow and stern, and one 11-inch and one 15-inch gun on each side. Altogether, she is considered by her builder and designer, Mr. W. H. Webb, and by competent engineers, as by far the most formidable vessel of war ever constructed.

THE TRIAL TRIP.

The Dunderberg made a short trial trip some months ago. On this occasion it was demonstrated that she sailed swiftly and easily at the same time; but her owner was still anxious to prove that she was in every respect a sea-going ship, as well able to withstand the dangers of the broad ocean as any frigate ever built; and this was one of the main objects of the test she underwent on Friday and Saturday. At 9 o'clock on Friday morning the dock where the vessel lay, at the foot of Sixth street, East River, was thronged with people who patiently stood in the snow, waiting to see the great ship float away on the tide. The number of invited guests on board was few. They consisted principally of the Naval Commission, who were to report the result of their observations to the Navy Department at Washington. The gentlemen assigned to this duty were Captain Pennock, Chief of the Commission; Captain Mulhanney, Chief of Ordnance; Captain Harmony, Chief Engineer, Mr. W. W. Wood, Chief En-

gineer Long, Chief Engineer Fithian, Assistant Engineer Purse, Lieutenant Buckner, Assistant Inspector of Ordnance, and Mr. Brandt, Chief Clerk at the Ordnance Department at Washington. These gentlemen, most of them stationed at the Brooklyn Navy Yard, represented the interests of the Navy Department. Their names will alone be a guarantee that they were well chosen for the duty assigned them. The services of Commodore Pennock during the war are well remembered; Captain Mulhanney lost an arm while commanding the steam frigate Oneida in the terrible conflict of Mobile Bay; Captain Harmony also commanded different vessels with efficiency throughout the war, and the others have also rendered commendable service. It will require a little space to state the object of the Commission thoroughly. Mr. Webb, the builder of the Dunderberg, made a contract with the Government to build an iron-clad on the Monitor, or turret principle, for the sum of \$1,250,000. He accordingly built the present vessel, which has no turrets, at a cost of about \$1,750,000, which the Government refused to accept, because the construction of the vessel was different from that of the vessel contracted for. About three-fourths of the contract money had been already advanced to Mr. Webb, who thereupon proffered two propositions. First, to sell the vessel to the Government at cost price; second, to refund the money advanced, with seven per cent. interest for its use, and be permitted to dispose of the vessel to a foreign power—he agreeing thereafter to build for the Government such a vessel as was formerly contracted for, at the contract price, in one year. Both of these propositions have been either declined or evaded, and the object of the Commission on the recent test, was to render such a report as would render the Government able to determine one way or the other.

In spite of the impatience of those on board and on shore it was not until noon that the Dunderberg began to move slowly from her moorings. With the assistance of two tug-boats she at length floated into the stream, and glided toward the bay amid the acclamations of the thousands who lined the ends of the piers on either shore. But the use of the tugs was soon dispensed with, and by her own powerful screw the immense structure swam slowly through the water. Mr. John Roach, constructor of the engines, was also on board. The vessel had an efficient pilot in Mr. Callahan, and was ably commanded by Capt. Babcock and Comstock. The officers on board and in charge were Messrs. Erastus W. Smith, Constructing Engineer for Mr. Webb; Thomas Wagner, Constructing Engineer for Messrs. John Roach & Sons, Etna Iron Works; and Messrs. Robert Robertson, Ethan Rogers, and Edward Marlin, Assistant Engineers in charge. The early portion of the day had been exceedingly dubious, threatening fog and storm, but the sunlight broke through the clouds in silver splendor as the vessel floated down the stream, and there were abundant promises of fine weather. It was impossible to cross the bar at Sandy Hook before 9 o'clock at night, and the interval of time had to be spent in the inner waters. Gracefully rounding Battery Point, the massive structure steamed up North River as far as the foot of Tenth-st., and then turned down stream. The marvelous ease with which the great ship obeys her helm is one of the most gratifying results of the enterprise. At the foot of Tenth-st. she turned, making a complete half-circle in four minutes and a-half—equivalent to describing an entire circle in nine minutes. This

is the most surprising in a vessel of her size and weight. Standing upon her broad deck, and watching the indications of the shore, you see her stern wheel around with the ease of a yacht, and, almost before you expect it, she is heading in just the opposite direction. The vessel proceeded down the harbor and then returned. Arriving opposite Governor's Island she gave her first salute. We stand upon the upper deck. The iron floor seems like marble beneath the feet, it is so solid and firm. Indeed, it seems strange that we should be gliding through the waves, for our foothold seems more like that of an island than a ship. But the rock-like structure thrills for a moment vibrantly beneath the feet, there is heard a dull, muffled roar, and the next instant the flame and smoke gushes from the side as one of the great 11-inchers speaks in thunder to the shore. Then, one after another, the other guns volley forth their burdens of smoke and sound, scarcely vibrating the deck, and the mighty fort floats on with hardly a tremor to tell of the gigantic machinery which impels it. While thus moving about the bay and rivers, our reporters had a good opportunity to examine the novel craft; and there was much to engage the attention of every admirer of the curious and useful. The spar-deck is a noble space. You tread on what appears to be solid iron. Above are the two tall masts, with their sails furled, and the taut new rigging giving a general sea-going air to the whole structure, while you have the consciousness that beneath you is that grand iron-sided gun-deck, with its mighty cannon and busy crew. Standing at the bow, you look over the iron-plating of the stem, and far beyond it descry the slight ripple of the water where the sharp, submerged cut-water, the razor-edge of the ram, parts the element as the vessel glides along. Looking from the stern, you look over the flat deck covering the ward room, and over the heavy-plated grated overhang which covers the shaft, and can discern a short distance beyond the boiling disturbance of the water where the great propeller-flakes are whirling in their work of locomotion. Fountains of spray and brine also spring constantly through the gratings of the overhang, as the vessel bumps upon the waves. The hardy pilot stands at his post in the port boat, heedless of the storm; the captain gives his few orders in a brief, decided tone; the numerous crew—green though they are—appear to move like clock-work, and, duck-like, the great ram cuts the waves as you scan her proportions, rigging and spars. But, to derive the best impression of the power of the Dunderberg, one must go below, and, standing at one extremity, view the grand gun-deck. This is, indeed, a tower of strength. Six mighty guns stand silently waiting at the open ports. Each has its crew lounging about the muzzle, and but a little word of command, a few moments of exertion, are required to place them in readiness for their mission of destruction. The vacant ports are also open, and the immense thickness of the sides of the ship immediately strike one upon looking through the ship. A stray shell may enter a port-hole and explode; but otherwise it appears impossible that the sides should be perforated. Descending another companion-way, we reach the engine-deck, and have an opportunity of witnessing the gigantic machinery whereby the entire vast structure is propelled and maneuvered. The Dunderberg is propelled by a single screw. The engines are of the back-acting horizontal type, and are supplied with cylinders 100 inches in diameter, with

45 inches stroke of piston. Enormous as is the machinery, it seems to work with exceeding ease and precision. Proceeding toward the stern, and one may enter the long tunnel-shaped apartment containing the shaft of the screw. And still further back, far into the tunnel may be heard the measured beating of the great flukes in the water outside. Descending yet another ladder, and one arrives at the fire-decks, where the furnaces are in full blast. From its extent and general aspect, this is one of the most infernally suggestive scenes which it has been our lot to witness for many years. The furnaces, 60 in number, are arranged along the sides in regular tiers, flaming, blazing, roaring and scorching like so many gridirons in the depths of Erebus; while the hundred firemen, begrimed with smoke and sweat, move about phantom-like, punching this fire and shovelling more coal into that, like so many imps of darkness, and only needing the conventional pitchfork in each hand to be transformed into veritable retainers of the Evil One. There is no motion of the ship to be felt here. Were it not for the memory, one might fancy himself to be in the bowels of the earth, surrounded by the gnomes and goblins who stir up the earthquakes and generate the volcanoes. But everything is in perfect order. Each man stirs up this, or punches that, or rakes this fire apparently just at the right moment; and, coming up in the open air again, we find that the vessel still moves duck-like and easily through the waves.

OUTSIDE THE BAR.

It was not till after 9 o'clock at night that the pilot ventured to cross the bar at Sandy Hook. But by 10 o'clock the bar was safely crossed, and the Dunderberg was bearing out ocean-ward, with the easy assurance of any vessel that plows the seas. This assurance was not, however, felt by everybody on board. One of the Naval Commissioners thought the occasion so serious that he had insured his life before starting; and there was others not less apprehensive of the result. Indeed, considering the immense top-heaviness of the Dunderberg—the enormous weight of metal above water compared to the occupation of the vessel below the surface, it is not strange that there should be some risk in going to sea in her. It happened that the sea outside the bar was very smooth for this season of the year. There was a slight roll of the vessel when she struck the ground swell, but, independently of this, there was no perceptible motion at all from the action of the sea. Nearly all the guests on board the ship passed a very uncomfortable night, the atmosphere being very cold, and no accommodations for sleeping having been prepared. One might as well ask a friend to visit his house, and after supper show him the door-step for a mattress, as invite a guest to pass a winter's night on a ship, without offering him even a blanket to cover him from the freezing weather, or a pillow whereon to rest his weary head. But this has little to do with the success of the Dunderberg. After crossing the bar she proceeded eastward about 50 miles, until about 2 o'clock A.M., and then returned. In the early morning all of the guns were tested with shell. The shooting proved very satisfactory. The guns were handled surprisingly well, considering that their crews were not practiced, and everything proceeded well. In firing the stern-gun the doors in the ward-room immediately underneath were somewhat shattered by the concussion.

After crossing the bar, on Saturday at 12 o'clock, the *Dunderberg*, proceeded toward New-York. The weather had been fine until this time, but now it began to snow furiously, and the vessel was enveloped in a mist, through which it was difficult to steer. She had been making an average speed of eight knots an hour, but now, upon passing between forts Lafayette and Richmond, additional steam was cracked on, and for a few minutes a velocity of 12 knots an hour was maintained. All of the guns were loaded, and when near Governor's Island, a salute of the entire armament was given with stunning effect. It was here that an accident occurred, which was rather ludicrous, but which might have been very serious in its consequences. It was about 3 o'clock p.m., and all the guests were at dinner in the ward-room. The several courses had been discussed, and the champagne was flowing, when *bang* went the first gun of a grand salute without alarming anybody. *Bang!* went the second gun, and *bang!* went the third. Now it happened that the third gun was the stern gun, the muzzle of which projected immediately over the ward-room, where the banquet was in progress. The effect was instantaneous and terrific. A blinding flash leaped through the ward-room; the sky-lights gave with a crash which scattered their panes in atoms, and covered the guests and tables with flying fragments of glass. Many people were frightened.

While practicing in the harbor the *Dunderberg* made one run of six miles in 30 minutes—12 miles an hour, there being at the same time about 41 revolutions of the screw per minute. She finally anchored in North River, off the foot of Warren-st. at 5 o'clock p.m. During the entire trip the officers of the investigating commission were indefatigable in their observations of the working and general efficiency of the vessel. Nothing will definitely be known in respect to their opinion until their report is finally made to the Department. But it was generally understood that the result of their observations exceeded their highest expectations, and that their report will be highly favorable. Every one on board the *Dunderberg* appeared to be highly gratified with her efficiency, and every one expressed the hope that she would not be permitted to pass out of the possession of the United States Government.

THE ILLINOIS CHESTER COAL FIELDS.

BY PROF. WATERHOUSE.

Some researches which I have recently made upon the subject of our iron interests have led me incidentally to investigate our available resources of coal fit for the manufacture of iron. The following results are derived from authorities which seemed entitled to credence. If there are errors in the statements, it is thought that they are not of sufficient magnitude materially to effect the soundness of the general conclusions.

The chester coal bed is located in Randolph, Jackson, and Perry Counties, Illinois. Eighteen thousand acres has been tested, and three strata

of coal found. The situation and richness of these beds are indicated in the following figures :

Veins.	Depth.	Thickness.
First.....	34 feet.	6 feet.
Second.....	77 "	4½ "
Third.....	119 "	6 "

The quantity of coal in the area already examined is, according to the common methods of measurement, 450,000,000 tons. So vast an amount fatigues the imagination. The quantity is practically inexhaustible. The coal deposits of Illinois alone are said to exceed those of the United Kingdom of Great Britain.

The Chester mines are accessible and convenient. There seems to be a providential design in their location. In the immediate neighborhood of our colossal mountains of iron there are immense beds of coal fit for the purposes of smelting. The coal field lies only twelve miles from the Mississippi River, fifty from the iron mountains of Missouri, and seventy-two from St. Louis by river. A railroad from Chester to the mines is now contemplated. This road will connect with the St. Louis and Cairo railway, which has been already surveyed. It will be twelve miles long, and cost \$300,000.

The quality of the Chester coal is superior. Its freedom from impurities fits it for the manufacture of iron. It has less than one per cent. of sulphur, and is comparatively free from bitumen. It has been tested in the blast furnaces of Ironton, Ohio. Tried by practical men, it has borne the severest tests and proved its superiority to the coal from the mines of Brier Hill. Heretofore this Ohio coal has been regarded as the best in the country, but now it must yield its pre-eminence to the Chester mines. Iron manufacturers assert that this Illinois coal makes a better and stronger metal than the Scotch pig.

The value of these exhaustless coal fields to the Western country may be inferred from the fact that there are, in the whole Mississippi Valley, but three other places where coal suitable for the manufacture of iron is found.

The mines of Pittsburgh yield golden revenues. The shipments from that port during last November were 2,600,000 bushels, and the net profits \$800,000 ; 650,000 tons were landed at Cairo for marine and manufacturing uses. St. Louis annually consumes 400,000 tons of coal, at an average of \$3 75 a ton. In 1866 Pennsylvania shipped to the tide water upwards of \$67,000,000 worth of coal. There is no substantial reason why the Chester mines should not yield a corresponding wealth.

The strongest economic motives urge the West to develop its own coal-fields. Coal from the Chester beds can be delivered on the banks of the Mississippi at \$1 50, and at St. Louis for \$2 20 a ton.

This coal can be used for manufacturing purposes. But it is a strange illustration of the indifference of Western men to their own interests that blacksmiths within thirty miles of the Chester mines are using for their forges an inferior coal from Pennsylvania. The freight from Pittsburgh is more than the total cost of the Chester coal. The Pittsburgh coal must be converted into coke before it can be used for smelting iron ore ; but the Chester coal requires no change. It can be used in its original state.

Steamboatmen prefer this coal. It generates more steam, and is free from clinker. On the lower Mississippi, Pittsburgh is bringing \$6 a ton; Illinois coal can be furnished for one third of this price.

Dr. Litton, Professor of Chemistry in Washington University, has recently analysed two specimens of Chester coal, with the following results:

Moisture.....	2.78	per cent.
Volatile combustible matter.....	31.62	"
Carbon in coke.....	61.28	"
Ashes (light colored).....	4.37	"
Coke.....	65.60	"
Sulphur.....	00.37	"

Sulphur and bitumen are the chief elements which unfit coal for the manufacture of iron. The amount of these substances in the Chester coal is surprisingly small.

The early doubt that mineral coal could be used, without coking, to make iron is now dissipated by conclusive facts. In Pennsylvania and the Mahoning Valley raw mineral coal is not only employed in making iron, but it is actually driving charcoal furnaces out of competition. Raw coal affords a far intenser heat than coke. The richness of our ores and the superiority of our coal greatly increase the productive capacity of our furnaces.

The fortunate invention of the Bessemer process of smelting iron will still further enlarge the results and diminish the cost of production. But even if it is necessary to reduce the Illinois coal to coke there is still a profitable difference in our favor.

	Per ton.
The cost of coking Pittsburgh coal is.....	70 cents.
The cost of coking Chester coal is.....	50 "

But practical experiments show the fitness of Chester coal, in its raw state, for the manufacture of iron. The importance of this fact can scarcely be exaggerated.

It will lead to the erection in the vicinity of St. Louis of the largest iron works in the United States. It is difficult to magnify the possible extent of this industry. Thirty thousand tons of iron were recently shipped from Iron-ton to Pittsburgh to fill a single order. Doubtless a portion of the iron manufactured from this ore is brought back to St. Louis. Our dealers would, therefore, incur a triple expense.

Freight of ore to Pittsburgh, per ton.....	\$7 00
Freight of manufactured iron from Pittsburgh, per ton.....	8 00
Cost of manufacture, per ton.....	8 00

Upon the basis that it takes $1\frac{1}{2}$ tons of ore and $3\frac{3}{4}$ tons of coal to make 1 ton of pig metal, the relative cost of manufacture would be as follows:

Cost of ore necessary to make one ton of pig metal at Pittsburgh.....	\$20 25
Cost of ore necessary to make one ton of pig metal at St. Louis.....	5 70

At the same price for coal and limestone flux, the difference per ton in favor of St. Louis would be..... \$14 55

Allowing \$1 a ton for coal, and \$1 50 a ton for limestone, a daily product of 24 tons of pig metal would cost at

Pittsburg.....	\$588 00
St. Louis.....	226 80
Difference in favor of St. Louis furnaces	\$361 20

But our previous figures show that the cost of the Chester coal is less than one-half that of the Pittsburg coal. These statistics ought at once to arouse the energy of our capitalists, lead to the development of the Chester coal-beds, and cause the erection of extensive rolling mills in the neighborhood of St. Louis. Nothing would conduce more to the prosperity of this city. Millions of money are now annually lost to the State which ought to enrich our own manufacturers. It is estimated that if we made our own iron, instead of importing it from Pittsburg, we should save 25 per cent. Our railroads would save \$2,000 a mile by using bars of our manufacture. In 1867 the railroads of Missouri will require 50,000 tons of rails. The saving on home-made bars would, in a single year, amount to one million dollars.

Irrespective of the difference between the prices of Chester and Pittsburg coal, a furnace at Pilot Knob with a daily capacity of 24 tons, would save \$250 every 24 hours. The quantity of coal necessary to meet the future demands of our furnaces will be immense. Two and one-half tons of coal are required to smelt one ton of ore containing 66 per cent. of iron; and $3\frac{1}{2}$ tons to make one ton of pig metal.

In the Mahoning Valley the daily consumption of coal in

28 blast furnaces is.....	Tons. 1,120
8 rolling mills.....	2,000

The following figures show the great savings in the use of Chester coal:

Cost per ton of mining Pittsburg coal.....	\$1 75
“ “ “ Chester coal.....	1 00
“ “ reducing Pittsburg coal to coke.....	70
“ “ Chester coal to coke.....	00
Difference in favor of Chester coal.....	1 45
It requires to smelt one ton of pig metal three tons of Chester coal, worth..	4 50
Or 125 bushels of charcoal, worth.....	12 50

Compared with the magnitude of our opportunities, the iron works of St. Louis are insignificant. The ore shipped over the Iron Mountain Railroad in 1866 was 10,000 tons; but the daily consumption of railroad iron in the Mississippi Valley is computed at 600 tons. One hundred and eighty thousand tons of iron bars, worth at present market rates \$18,000,000, are annually necessary to supply the domestic wants of the West. Only energy and capital are requisite to make St. Louis the seat of the largest iron manufactures in the world.

A dozen years ago England had 600 furnaces in operation, with an aggregate yearly capacity of 3,600,000 tons, and an annual productive value of more than \$100,000,000. It was in view of such resources and enormous industrial wealth that Chancellor Gladstone recently declared in the British House of Commons that the “United Kingdom, with its 30,000,000

of people, is as great in commerce as France and America with their 70,000,000. It is, then, our possession of coal, near what depends on coal, that has given us this extraordinary pre-eminence in commerce and industry."

St. Louis enjoys all the conditions to which Chancellor Gladstone ascribes the industrial greatness of England. In the immediate vicinity of this city there is an exhaustless supply of coal, iron, limestone and fire clay.

The nearness of our iron mountains to coal of a suitable quality and quantity to smelt them, preordains this city to be the great central machine shop of this continent. A direct revenue of annual millions will yet repay our capitalists for investments in this branch of business. But the collateral benefits of this success would be immense. The establishment in this vicinity of iron works sufficiently large to answer the needs of this valley would bring tens of millions annually to our municipal coffers. It would give a powerful impulse to the growth of St. Louis, improve our markets, and quicken the activity of every trade. If this great enterprise can be carried into successful execution, no rivalry can endanger the pre-eminent greatness of St. Louis.

CONDITION OF THE FIRE INSURANCE INTEREST.

It was not without good reason that the representatives of the Fire Insurance interest recently assembled in convention to deliberate upon the serious aspect of their affairs. During the last two years there has been such a grave increase in their losses that the companies found the rates upon which they had effected insurances quite inadequate to cover the actual risks; and some have suffered a severe drain upon their resources. The insurance institutions are the less prepared to meet this adverse course of affairs from the fact that a severe competition had induced them to lower their rates much below a conservative limit.

The facts presented to the convention were simple, and the remedy as plain. The case was clear that, if the present rate of losses be continued, with the current tariff of premiums, most of the companies must at no distant date go into liquidation. The only step that could possibly meet the case was a prompt increase in rates, in something like the same ratio as the losses had increased. This course the convention, with great unanimity, adopted; and in so doing they showed but a just regard for the conservation of the large amount of capital invested in their enterprise, and for the protection of the immense interests insured.

The main conclusion arrived at was therefore businesslike and to the point; but it should by no means be considered as all the action the condition of this interest requires. While the advanced rates may be considered justifiable as a temporary expedient, providing against an extraordinary exigency; yet a rigid inquiry should be instituted into the causes which have rendered this resort necessary. It is not to be presumed that the public will be long satisfied to pay the new rates, nor ought the continuance of the advance to be long required. The causes of fires are, to a certain extent, within control; and it is the business of

the insurance companies to institute a thorough inquiry into the condition of affairs which has produced the late extraordinary frequency of fires, and into the means which may be devised for reducing risks. It will not do to assume that the present rate of losses is altogether extraordinary and temporary, and that, as risks will soon return to their wonted ratio, all that is required is an advance of rates during the period of exceptional losses. We have seen that the companies are at any time subject to an increase of conflagrations, seriously impairing their solvency and the security of the insuring public; and the fact of their being exposed to such contingencies will greatly shake public confidence in the ability of the associations to carry their risks, unless some measures be adopted calculated to lessen the liability to fires in our large cities.

The insurance companies assign as one reason for the large increase of losses that an unusual number of fires have arisen from parties insured becoming incendiaries, in order to make money upon their insurance. As it is a demonstrated rule that incendiary fires are always most numerous in times of commercial depression, it is quite probable that the specially heavy losses now being incurred by business men may have more or less contributed to the late increase of fires. But this alone cannot account for the augmentation of risks. Nor is it to the interest of the companies to attach undue importance to this circumstance, as they appear disposed to do. The large majority of policy holders are honest; and they will naturally ask the question whether it is not better to carry their own risks rather than submit to a large increase of rates to cover the losses caused by recklessly dishonest parties. The public have a right to expect of the insurance companies that they exercise a most searching scrutiny into the degree of risk arising from this cause, so that they be not needlessly taxed, by an increase of premiums, to cover the destruction caused by incendiaries. The true remedy in this case is in prevention, rather than an increase of rates.

The companies also affirm that very unusual losses have occurred in connection with cotton insurances. Of this there can be no doubt. The receipts of cotton at this port have been unusually large, and we have no proper warehouses for storing it. Besides, much of it has been received in such condition that it required to be repacked; and the rebaling by workmen who are allowed to smoke during the process has been attended with great risk. The immense stock held here, and our present accommodations for holding it, have led to its being stored in such solid masses that when fire broke out the water could be brought to bear upon the huge piles very imperfectly. Nor is it improbable that cotton has at times been fired for the express purpose of creating a chance for gain upon the salvage, the profits made upon charred cotton having in many cases reached 200 per cent. Here, again, is a case calling for investigation by the insurance interest; for the cotton trade must not be driven away from us by excessive rates, nor must ordinary policy holders be called upon to pay for the carelessness of cotton-packers and the incendiarisms of salvage speculators.

These and other special causes have been assigned as the true explanation of our late increase of fires. No definite result, however, can be reached, because there are no facts from which we can draw our conclusions; and besides, no remedy is proposed except a continuance of high

rates. To be sure, it has been suggested that a rule be adopted limiting the amount of insurance to three-fourths the value of the property insured. This, it is supposed, would neutralise the motive to incendiarism on the part of insurers; and in this view there is doubtless force. But on the other hand, there are insuperable objections to the proposal. It would operate most seriously against the trade of the port were it impossible to protect consignments against fire risks to the full amount. A large proportion of merchants would feel that an important motive to insurance was then taken away. In case of the total destruction of their stock, the policy would perhaps cover that portion held on credit, while the remainder, which was strictly their own, would be a total loss; in other words, the insurance would cover their creditors but not themselves. Right or wrong, this is a view which many would doubtless act upon. There are many other grave objections to this proposal; but there is so little prospect of its being adopted it is unnecessary to mention them.

The most effective, if not the only remedy that the case admits of, is, we think, to be found in a thorough examination into the causes of all fires, and also in the non-payment of the amount insured until it is at least established that the loss is not of incendiary origin. A committee or board should be organized, the members to be chosen by all the companies, whose duty it should be to make this examination. If this were done the insurance business could be reduced to a proper basis, and no insurer would be called upon to pay for his neighbor's dishonesty or for his neighbor's greater risk. At present, no sooner does a company hear of a loss than it hurries to the insured with check in hand to liquidate it, thus making a bid for future business. This is clearly wrong. Of course, no unnecessary impediment should be put in the way of prompt payment, but it is due alike to the company and its patrons that there should first be a proper investigation.

Such a committee as we have suggested would also find assistance in their work by an examination into the causes which give rise to such an enormous excess of losses in our large cities over those of Europe. In London, with a population thrice that of New York, the amount of losses is far less than in this city. There the rate of insurance, on average trade risks, is $\frac{1}{4}$ of 1 per cent.; while here it is fully six times that ratio. In Paris the losses are far less than even in London, fires being there of very rare occurrence. These facts show that the frequency of fires is a matter dependent upon conditions connected with the habits and social arrangements of the respective localities; and as those conditions are susceptible of material modification by judicious legislation and police regulations, it is clearly the business of a well conducted insurance interest to institute a broad and thorough examination of the causes of this difference. The inquiry should be conducted not by the legislature, whose investigations rarely elicit much truth, but by a carefully selected board, chosen by the insurance interest at large, and furnished with every means requisite to make their researches thorough.

RAILROAD EARNINGS FOR JANUARY.

The gross earnings of the specified railroads for the month of January, 1866 and 1867, comparatively, and the differences (increase or decrease) between the two periods, are exhibited in the subjoined statement:

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$504,992	\$261,187	\$.....	\$143,855
Chicago and Alton.....	210,171	340,288	130,067	.....
Chicago and Great Eastern.....	90,415	93,794	3,399	.....
Chicago and Northwestern.....	533,566	690,838	167,396	.....
Chicago, Rock Island and Pacific.....	241,896	267,626	26,331	.....
Cleveland and Pittsburgh.....	168,799	181,179	.....	37,610
Erie.....	1,185,743	906,759	.....	278,987
Illinois Central.....	582,888	660,438	77,610	.....
McGregor Western.....	23,097	20,000	.....	3,097
Marietta and Cincinnati.....	90,125	94,136	4,011	.....
Michigan Central.....	223,438	204,095	21,557	.....
Michigan Southern.....	314,598	302,714	.....	11,884
Milwaukee and Prairie du Chien.....	121,776	143,000	21,224	.....
Milwaukee and St. Paul.....	121,707	146,800	15,093	.....
Ohio and Mississippi.....	267,541	265,000*	.....	2,541
Pittsburg, Fort Wayne and Chicago.....	559,969	560,115	138	.....
St. Louis, Alton and Terre Haute.....	178,119	149,658	.....	28,461
Toledo, Wabash and Western.....	226,059	237,674	11,615	.....
Western Union.....	45,103	39,079	.....	6,023
Total (19 roads).....	\$5,748,456	\$5,714,364	\$.....	\$34,192

The statement which follows shows the miles operated, and the gross earnings per mile of these railroads, for the same months:

Railroads.	Miles of Road		Gross Earnings	
	1866.	1867.	per mile.	1867.
Atlantic & Great Western.....	507	507	\$996	\$712
Chicago and Alton.....	290	363	750	925
Chicago and Great Eastern.....	224	224	403	419
Chicago and Northwestern.....	930	1,033	563	669
Chicago, Rock Island & Pacific.....	228	228	1,014	1,124
Cleveland and Pittsburgh.....	204	204	327	648
Erie.....	798	733	1,488	1,340
Illinois Central.....	708	708	823	933
McGregor Western.....	50	50	403	400
Marietta and Cincinnati.....	251	251	359	375
Michigan Central.....	225	225	991	1,086
Michigan Southern.....	524	524	600	577
Milwaukee & Prairie du Chien.....	234	234	520	611
Milwaukee and St. Paul.....	275	275	479	524
Ohio and Mississippi.....	340	340	787	*790
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,196	1,197
St. Louis, Alton and Terre Haute.....	210	210	848	713
Toledo, Wabash and Western.....	484	484	467	491
Western Union.....	177	177	255	221
Total (19 roads).....	7,187	7,311	\$799	\$781

* Earnings of O. and M. Railroad for January, 1867, are estimated.

From the above statements it appears that the decrease in gross earnings in January, 1867, as compared with January, 1866, has been only \$34,192. Eleven lines gained on the earnings of the previous year \$478,276, and eight lines lost \$512,468. The gaining lines were chiefly in Illinois and Wisconsin, where the snow fall has been much less than in January, 1866. On the contrary the great through lines, East and West, were badly snow-bound, and for days at a time unable to pass trains. That the business of the sections not invaded by snow has been more than usually active for January is obvious, and the interruption in the snow-bound regions is no indication of an actual falling off from the general average.

We have, then, in these statements very satisfactory results, calculated certainly to give increased confidence to the stockholders of the great dividend-paying roads.

REPORT OF JAMES W. TAYLOR TO SECRETARY McCULLOCH.

SIR—In pursuance of your letter of instructions of Sept. 12, 1866, I present some general information in regard to the production of gold and silver in the Territories of New Mexico, Colorado and Montana, in a district of Minnesota northwest of Lake Superior, of which the lake and river Vermillion indicate the locality, and upon the eastern slope of the Alleghany range in the States of Georgia, South Carolina, North Carolina, Virginia and Maryland, with some notice of recent discoveries of gold in New Hampshire, Nova Scotia and Canada.

In a second instalment of this communication a general review of the production of gold and silver in other quarters of the world is submitted, with the purpose of indicating relatively the commercial and social importance of the treasure product of the United States.

A third division presents a summary of the domestic commerce from the Missouri River westward to the interior or mining districts of the United States, having reference prominently to the situation and prospects of railway communication with the Rocky Mountains and the Pacific coast.

The brief period and the limited means of information which have been available since the date of your commission will confine the present communication to the form of a preliminary report, postponing a fuller consideration of the topics enumerated to a subsequent occasion.

THE ROCKY MOUNTAINS.

This designation no longer includes the whole breadth of the Andean chain in the United States. It refers only to the formation known in Mexico as the Sierra Madre, or Mother Mountain, from which the Sierra Nevada of California, or the western wall of the mountain mass, diverges in northern Mexico, while the intervening plateau of table lands is now recognized as a distinct and characteristic division of the continent. The Rocky Mountains, or the cordillera of the Sierra Madre, traverses the territory of the United States in a north-northwest direction, from the 29th to the 49th parallel of latitude. The average elevation of its crest is 12,000 feet above the sea, lifting, for a breadth of 300 miles, above the altitude of its eastern and western piedmonts, which, in the latitude of Denver and Great Salt Lake, is fully 6,000 feet. Those valleys, slopes, and gorges, which supply the sources of the Missouri, Yellowstone, Platte, Arkansas, and Rio Grande rivers, are the prominent features of the Territories of Montana, Colorado and New Mexico, and will be the first topics of consideration in relation to gold and silver mining east of the Rocky Mountains.

NEW MEXICO.

If we compare a map of this Territory with any similar publication of the last century, even as early as a chart in Moll's atlas of 1720, the vicinity of Santa Fé is represented as even more populous than at present. The Spaniards thoroughly explored the valley of the Rio Grande, and their mining settlements were very numerous in the mountains of New Mexico. There is a tradition that the Indians, whose labor had made the mines of

gold, silver, and copper available to their Spanish conquerors, were at length driven into insurrection, which was so far successful as completely to interrupt all systematic mining. This was about 1680, and at no subsequent period have the conditions of society and industry been favorable to the resumption of mining enterprises. At this time Indian hostilities prevented permanent labor, and almost exploration, in the remote districts of New Mexico.

Twenty years ago, when Colonel Doniphan led a column of American troops to Santa Fé and Chihuahua, Dr. A. Wizlizenus, who accompanied the expedition as surgeon and for the sake of scientific investigation, reported that gold was found to a large extent in all the mountains near Santa Fé, south to a distance of about one hundred miles, or as far as Gran Quivira, and north for about one hundred and twenty miles, to the river Sangre de Cristo. Throughout this whole region gold dust was then abundantly found by the poorer classes of Mexicans, who occupied themselves with the washing of this metal in the mountain streams, while at the Placer Mountain, about thirty miles from Santa Fé, gold-bearing quartz was worked. These statements in regard to gold are confirmed by the second annual message of acting Governor Arny, delivered in December, 1866, to the Legislature of New Mexico, who also reports the discovery of thirty lodes of gold-bearing quartz at Pinos Altos, paying from \$40 to \$200 per ton; of quartz veins at San José, in the Sierra Madre, intersecting each other in all directions for a mile in width and three miles in length; of a similar formation near Fort Davis, Texas; and of extensive placer mines on the San Francisco and Mimbres rivers.

Governor Arny gives prominence to these gold discoveries, but adds that silver is the prominent and most abundant mineral of the Territory. Lodes of silver, with its many combinations, are very numerous. He thinks it will be the most profitable branch of mining in that Rocky Mountain region, and enumerates as prominently argentiferous the districts of the Placer Mountains near Santa Fé, the Organ Mountains near the Mesilla valley, and the Sierra Madre near Pinos. The first and last of these localities are, as we have seen, gold-producing also. In the Organ Mountains over fifty silver mines have been discovered, the ore being generally argentiferous galena. The district near Mesilla Valley in the Organ Mountains has a mean altitude of 4,400 feet, and is intersected with ravines, affording favorable opportunities for horizontal drifts in opening the veins. There is a belt or series of veins containing six principal veins and many smaller ones, the six larger veins varying from two to fifteen feet in width. On the largest of these veins is the celebrated "Stephenson" mine. This belt of veins crosses the Organ Mountains at or near the San Augustine pass, and both sides of the chain of mountains present similar features and equal richness. The country bordering on the north portion of Chihuahua is a rich silver district. Immediately adjoining the new Mexican boundary are the mines of "Corralitos," the most successful silver mines in the State of Chihuahua, having been mined for forty years in a region most exposed to Indian hostility. Near the old town of El Paso, tradition places the locality of one of the richest silver mines known to the Spaniards, but its site was lost during the insurrection of 1680.

Dr. Wizlizenus, writing in 1847, thus proceeds with his enumeration of the mineral resources of New Mexico: "In Spanish times, several rich

silver mines were worked at Avo, at Cerillos, and in the Nambé Mountains, but none at present. Copper is found in abundance throughout the country, but principally at Los Tijeras, Jemas, Abiquin, Guadelupita de Mora, &c.; iron, though also abundantly found, is entirely overlooked. Coal has been discovered in different localities, as in the Raton Mountains, near the village of Jemez, southwest of Santa Fé, and near, but south of, Placer Mountain. Gypsum, both common and selenite, is found in large quantities, extensive layers of it existing in the mountains near Algodones, on the Rio Grande, and in the neighborhood of the celebrated Salinas. It is used as common lime for whitewashing, and the crystalline, or selenite, instead of window-glass. About one hundred miles south-southeast of Santa Fé, on the high table-land between the Rio Grande and Pecos, are some extensive salt lakes, or salinas, from which all the salt (muriate of soda) used in New Mexico is procured."

Governor Arny, in his late message, observes of the production of copper, that, before the late civil war, two copper mines were extensively worked—the Santa Rita and the Hanover—turning out about twelve tons of copper per week, and employing jointly about five hundred hands. Other copper mines had been opened, and were about to commence operations. A copper mine has lately been discovered a short distance from Fort Union, the specimens indicating a rich deposit. The locality of this discovery will render it very valuable, as it is convenient for the return wagons from Santa Fé and Fort Union to the Missouri River.

The indispensable conditions to the development of the mines of New Mexico are, first, Indian pacification; second, railway communication with New Orleans, Vicksburg, Memphis, and St. Louis; third, a geological reconnoissance.

Some additional statements, on the authority of Doctor Wizlizenus, in regard to the mineral production of the adjoining State of Chihuahua, are valuable as indicating what may be reasonably anticipated in New Mexico. Referring to the rich silver mines of Chihuahua, he remarks that they are found principally in the western part of the State throughout the length of the Sierra Madre, and in a mean breadth of thirty leagues. The ores occur generally as sulphurets, with iron or lead, sometimes as native silver and muriate of silver, and are found either entirely in porphyritic rocks, or in stratified rocks, (limestone) passing at greater depth into igneous rocks. They are worked either by amalgamation or by fire in common furnaces. For the latter process they need generally an addition of greta, (litharge or oxyd of lead,) which forms, therefore, a valuable article of trade.

The celebrated mine of Santa Eulalia, near the city of Chihuahua, produced in seventy-two years, from 1717 to 1789, \$52,800,000. The abundance of lead found in Santa Eulalia makes the smelting of the ore very convenient. These mines are not exhausted; but from intrusion of water, want of capital, and the attraction of new mines, they are but little worked. Doctor Wizlizenus describes five other districts where silver ores have been found far superior in richness and extent to the mines of Central Mexico, but in which little has been accomplished on account of the invasions of hostile Indians; and he mentions gold and copper mines as holding a similar relation to the lodes of silver, as prevails in New Mexico. The annual production of silver and gold in 1846 was estimated at about \$1,031,251.

COLORADO.

The summits and valleys of Colorado are the sources of the rivers Platte and Arkansas, which are affluents of the Mississippi, and of the Rio Grande, directly tributary to the Gulf of Mexico, and of the Colorado, which falls into the Pacific gulf of that name. No similar area of the Rocky Mountains is more imposing in scenery or physical relations than Colorado. Its mineral development is fully commensurate.

The traveller by the route of the Union Pacific railway, in approaching the Rocky mountains, will first traverse a formation of coal and iron. For over one hundred and fifty miles, from the Arkansas to the Cache le Poudre, bituminous coal, or a superior quality of lignite, has been discovered, at many points accompanied by iron ore. Next in situation westward—quite within the mountains, but much below their snow-covered summits—is a mineral range from five to fifteen miles wide, and extending from Long's Peak two hundred miles southwardly in Colorado, within which most of the discoveries of gold, especially of auriferous quartz, have occurred. Crossing the snowy range, on the western slope, extensive silver mines have been discovered. Governor Evans, of Colorado, in November, 1866, remarked at a public meeting in Chicago: "I have just returned from visiting a district about one hundred miles by ten or fifteen in extent, lying across the main mountain range west of Denver City, which is pervaded throughout by extensive and rich veins of silver; some are of pure silver ores, but the majority of them are argentiferous galena ores, varying in richness, many of them yielding in the smelting furnace as high as six hundred dollars of silver to the ton of ore." Salinas, or extensive deposits of salt, are accessible, as in new Mexico; and even petroleum is found near the eastern base of the mountains. The forests supply timber even for exportation to Kansas, and the mountain streams are generally available for the use of machinery and irrigation.

The area of Colorado is 67,723,520 acres, and the most sanguine view of its future agriculture is comprised in the statement by Surveyor General Pierce, in 1866, that "there are about 4,000,000 acres of agricultural land susceptible of irrigation, which will make productive farms." 250,000 acres were entered under the homestead and pre-emption acts in 1866, and 141,000 acres in 1865. A much larger area is suitable for the sustenance of domestic animals. "The whole of the plains," according to the testimony of Governor Evans, "and the parks in the mountains of Colorado, are the finest of pastoral lands. Stock fattens and thrives on them the year round, large herds and flocks being kept there in the finest possible condition. In some parts, it is true, the snow covers the grass for a part of the winter, but in other places cattle and sheep are wintered without feeding, with entire success. The celebrated parks—North, Middle, South and San Luis—are fine agricultural valleys for grass and small grains."

Gulch or placer mining, although the first form of gold discovery in 1859 has been prosecuted in Colorado with less success than in California—a remark applicable to all the districts east of the Rocky Mountains, with perhaps the single exception of the Confederate gulch near Helena, in Montana Territory. This may be owing to the less degree of disintegration to which the veins, or gold geologically *in situ*, have been exposed.

It has been observed that on the eastern flank of the great Rocky Mountain mass volcanic and other igneous action has been less violent, the country is less abrupt, and the action of the elements has been less marked than on the Pacific slope, and therefore placers are not so frequent or productive. Whatever may be the force of this explanation, the discoveries and developments of auriferous quartz lodes in the Gregory district have mostly contributed thus far to the settlement of Colorado. This district extends from Gold Hill to Empire City, about thirty miles along the base of the snowy range, and is, on the average, about ten miles in width—an area of 300 square miles of gold-producing mountains, in which many quartz mills are in operation. It is now generally admitted that the range of gold-bearing quartz is not limited to the Gregory district, but is as extensive as the snowy range itself.

The successful reduction of auriferous rock is a problem of the future. The immense production of Siberia, California, and Australia is mostly washed from the sands of rivers or the adjacent detritus, nature, in each case, having overcome the mechanical and chemical difficulties presented by the matrix of gold. In the reduction of Colorado ores the chemical are the chief difficulties. The auriferous quartz of the Sierra Nevada, when pulverized, yields the gold readily to the attraction of quicksilver—the gold is “free;” but, with hardly an exception, a Colorado mine exhibits a most refractory combination of gold with the sulphurets of iron and copper. Nor are these the only mineral associations which often baffle all former appliances for the separation of baser metals. Quartz mining in Colorado has hitherto been unsuccessful from the failure of numerous processes and methods of desulphurization and amalgamation which had proved efficient in Europe and even in California; but during 1866 several American inventions, or new combinations of existing methods, have been introduced, and are now in course of trial. I shall not venture to describe their practical operation or decide upon their success. Hereafter, as a result of personal examination and a full comparison of opinion, it may be practicable to do so; but at present there is no subject which would more appropriately command the attention of a scientific commission.

The mechanical obstructions to working a gold mine in Colorado are very great. In working a vein or lode, the iron or copper pyrites are usually separated from surface quartz by what is called cap, or a shutting up of the vein by the wall rock. This is the great difficulty in opening a mine—it recurs in descending, but the intrusion is less and less. The Montgomery district, in southern Colorado, will afford an illustration. First, the blossom rock, desulphurized by the action of the atmosphere, was readily crushed and yielded its gold to amalgamation; but soon the surface ore was exhausted; it became necessary to traverse the cap rock, often 150 feet deep, which was a tedious and expensive process, but at length the indurated gyritous ore are reached, very productive of gold, but requiring to be removed and reduced at a great cost of time, labor, capital, and skill. Still, as some compensation, the tesmony is quite general that the mine widens and grows more productive of gold at its lower stages.

The auriferous veins of Colorado are represented to be from six inches to nine feet in width. Governor Evans claims that in most of the lodes

now worked the quartz rock yields an average of \$36 per ton, but that a production threefold greater may be expected when the reduction of ores reaches the perfection of a scientific assay. Lodes in California, with present facilities of labor, transportation and supplies, are found to pay the owner if \$10 per ton gross can be obtained from the rock. In Nevada, over the mountains, only 300 miles from the coast, and with very considerable advantages of transportation by turnpikes, a lode must yield \$25 gross per ton to reward the owner for working it; and this statement may be made in regard to quartz mining in Colorado, while in New Mexico and Montana, even with security from Indian hostilities, a lode must yield \$40 per ton to pay. If the advantages in prices, freight, etc., which exist in California, were supplied to the interior by railroads, all the mining territories would profitably develop their quartz mines at \$10 per ton gross product.

MONTANA.

Of the streams which unite to form the Missouri River, the Jefferson, or most western tributary, has been the principal scene of gold discovery. In the summer of 1862 a party of Minnesota emigrants crossed the northern plains destined to the Salmon River mines. On reaching the Rocky Mountains they found parties of prospectors upon the Prickly Pear and Beaver Head branches of the Jefferson, and in the Deer Lodge Valley, upon remote tributaries of the Columbia. In September these explorations were successful on Grasshopper Creek, a tributary of the Beaver Head, and the placer mines of Bannock City soon attracted a considerable mining population. In May, 1863, a discovery of bar or placer mines was made about fifteen miles west of Bannock, on Horse Prairie Creek, another branch of the Beaver Head. It was of limited extent, but quite productive. In June, 1863, there were further discoveries of placer mines about seventy miles east of Bannock, on Alder Creek, a tributary of the Jefferson. These have proved of much larger extent and richness, extending continuously more than fifteen miles. Virginia City is in their vicinity. These two districts are respectively about fifty miles eastward from the summits of the Rocky Mountains, being within the semicircular park which the Rocky Mountains enclose between latitudes 44° to 46° and longitude 112° to 114° . A still more remarkable development of gulch or placer mining occurred in 1865, at Helena, a district about 130 miles east of north from Virginia City, but still 200 miles southwest of Fort Benton, ascending the course of the Missouri and the Jefferson. Some of the statements in regard to Confederate gulch, near Helena, are difficult of belief. It is said that during three months of the summer of 1866 three miners took 2,100 pounds of gold, or \$441,000, from a space three rods square, on Montana bar, in Confederate gulch. A total production of \$15,000,000 to \$20,000,000 for 1866 is also claimed.

There are many inducements to exaggeration in these statements. For some years after the California discovery the demand for coinage induced large deposits at the government mints, but for the last half of the period since 1848 a great proportion of the gold and silver product in the United States has been cast into bars or ingots by private assayers. This proportion may now be stated at fully one-half. Since, therefore, the United States mints and assay office report \$5,505,687 30 from Montana for the

fiscal year ending June 30, 1866, it will be safe to double that amount as the probable production in that year. A communication to the Treasury Department from an intelligent citizen of Montana only claimed \$6,000,000 as the production of 1865. The following statement is more likely to be correct than the bulk of newspaper reports :

1863.....	\$2,000,000
1864.....	5,000,000
1865.....	6,000,000
1866.....	12,000,000
Total.....	\$25,000,000

Considerable progress has been made in quartz mining. Over two hundred lodes have been opened sufficiently to prove their value. The average yield of the vein-rock is stated at forty dollars per ton. There are seventeen quartz mills in the Territory, of which ten are in operation. Thirty are in process of erection. In the vicinity of the mining centres enumerated—Bannock, Virginia, and Helena—2,500 lodes represented to be gold bearing have been prospected and titles recorded.

About the 1st of June, 1864, ores of argentiferous galena, of which some indications had been previously observed, were discovered to be valuable. The first silver mines were opened on Rattlesnake creek, a branch of Beaver Head river, about fifteen miles north of Bannock. Then followed, during the summer of 1864, discoveries of similar veins in the Prickly Pear region, within three or four miles of Bannock, in a district about twenty-four miles northwestwardly of Virginia City, near gulches known as the Mill and Wisconsin, and upon the mountains enclosing Deer Lodge valley. These silver veins, although bearing more or less gold, are not necessarily connected with the gold districts hitherto explored ; and a geological exploration would probably show that the silver deposits of Montana are more extensive, with a probability of becoming more productive, than the gold mines. The assays of argentiferous galena have exhibited results from \$100 to \$1,700 per ton. Three furnaces for smelting silver are in operation—one at Bannock, one at Argenta, on a tributary of the Beaver Head, and the third in the Valley of the Boulder, a tributary of Jefferson.

Upon the foregoing basis of exploration and discovery in Montana, the population may be estimated as follows :

Jefferson and Edgerton counties, including Prickly Pear and Helena districts.....	12,000
Madison County, Virginia City.....	7,000
Beaver Head county, Bannock City.....	2,000
Deer Lodge Valley, (western slope).....	8,000
Bitter Root Valley, (western slope).....	1,000
Fort Benton and vicinity.....	1,000
Other parts of the Territory.....	2,000
Total.....	28,000

It is now well ascertained that the coal, iron, and petroleum formations observed in Colorado are extended northward under the same conditions and in equal proportion along the eastern flank of the Rocky Mountains

and far into British territory. As the general level of the plains at Fort Benton and vicinity is also ascertained to be about four thousand feet above the sea, or two thousand feet less than the altitude of Denver, there is no appreciable difference of climate between those localities, and the remarks in regard to agriculture and stock-raising in Colorado will equally apply to Montana.

In the autumn of 1866 a large number of copper lodes was discovered on the head-waters of the Muscleshell river, which yield from thirty to seventy per cent. of the pure copper, in crevices ranging from four to six feet in width. The metal is found in combination with the oxide and green carbonate of copper. These copper mines are convenient to the wagon road, from Helena to the mouth of the Muscleshell, which is substantially the head of steamboat navigation on the Missouri river.

Near the old Mormon settlement at Fort Lemhi, upon the head-waters of Salmon River, in Idaho, important gold discoveries in 1866 have attracted population—a settlement forty miles distant from Bannock city, and having business relations almost exclusively with Montana.

UTAH.

The dominant ecclesiastical organization of Utah is adverse to mining for gold and silver, although iron and copper mines have been worked successfully in the Wahsatch mountains. The general testimony is that silver will be discovered in many localities. Sixty miles south of Great Salt Lake City veins of argentiferous galena in Rush River district have proved valuable, and mining operations, including the construction of furnaces, are well advanced. These ores assay 260 ounces of silver. Coal for the supply of Great Salt Lake City is mined at a distance of forty miles. An extensive silver district, in the southwestern angle of Utah, was lately transferred to the State of Nevada.

DAKOTA.

In addition to the Missouri and Yellowstone mines of Montana, under the average longitude of 110°, the explorations of Lieutenant G. K. Warren, in 1847, and of Captain W. F. Reynolds, in 1859 and 1860, under directions of the United States topographical office, have satisfactorily established that the Black hills of Dakota Territory, situated on the forty-fourth parallel of latitude and between the 103d and 105th meridians of longitude, are rich in gold and silver, as well as coal, iron, copper, and pine forests.

The area occupied by the Black hills, as delineated on a map which accompanies Lieutenant Warren's report, is 6,000 square miles, or about the surface of Connecticut. Their bases are elevated from 2,500 to 3,500 feet, and the highest peaks are about 6,700 feet above the ocean level. The whole geological range of rocks, from the granite and metamorphosed azoic to the cretaceous formations of the surrounding plains, are developed by the upheaval of the mountain mass. Thus, at the junction of silurian rocks, gold becomes accessible, while the carboniferous strata bring coal measures within reach.

With the pacification of the Sioux Indians, and the establishment of emigrant roads, this district of Dakota would doubtless be the scene of great

mining excitement, as the gold-field of the Black Hills is accessible at a distance of 120 miles from the Missouri river.

SASKATCHEWAN.

As early as 1862, some American explorers washed from the bed of the North Saskatchewan river, at a distance of two hundred miles from its extreme sources in the Rocky Mountains, minute particles of gold, but with no return exceeding *one cent to the pan*, or five dollars per day. In subsequent years the emigrants from Selkirk settlement, and a few American adventurers obtained more satisfactory results, there being frequent instances of ten dollars as a daily average, from bars or gulches nearer the mountains. As the Montana explorations have advanced towards the international frontier, each encampment proving more productive than its predecessors, the opinion has prevailed that the sources of the Saskatchewan would develop rich deposits of gold and silver, especially near the great centre of physical disturbance, where Mount Hooker reaches an elevation of 16,000 feet, and Mount Brown 15,700 feet above the sea, and from which the waters of the Saskatchewan, Peace, Frazer, and Columbia rivers diverge to three oceans. So prevalent is this belief in Montana that a sudden migration of thousands may at any moment be anticipated. Probably the intelligence received in Oregon during November, 1866, that American prospectors at the Kootenais mines had passed the mountains on or beyond the boundary of 49° and found rich washings, returning even \$60 daily to the hand, on the sources of the South Saskatchewan, will, if fully confirmed, be the signal of a movement over the border into the Saskatchewan basin as remarkable as that which filled the valley of the Frazer river with miners from California and Oregon in 1859.

VERMILLION DISTRICT.

In 1865 attention was directed to discoveries of gold and silver north-west of Lake Superior, in the State of Minnesota. Lake Vermillion, an expansion of a stream of that name, is the centre of the district in question. The outline of this lake is very irregular. With a diameter of thirty miles, its surface is so studded with islands, its shore so broken with bays and headlands, that the entire coast line cannot be less than two hundred miles in extent. In 1848, Dr. J. G. Norwood, of Owens' geological survey, passed from the mouth of the St. Louis river, at the western extremity of Lake Superior, to the sources of the Vermillion river, and descending through the lake to the Rainy River, furnished a sketch of its natural features and mineral exposures. His statements are repeated, so far as they record the usual indications of a gold formation.

Before entering Vermillion Lake from the south, Dr. Norwood mentions a perpendicular fall of eight feet over "silicious slate, hard and gray, with minute grains of iron pyrites sparsely disseminated through it." This rock bears east and west, with thin seams of quartz between the laminæ running in the line of bearing. There are also irregular patches of quartz from eight to ten feet long, and from six to twelve inches wide, which cross the strike at right angles. The river is broken by falls three-quarters of a mile above, or south of Lake Vermillion.

The islands in the lake indicate very distinctly volcanic action, one of

them being an extinct crater. The prevalent rocks are talcose slate, which Dr. Norwood describes as "eminently magnesian, thinly laminated, and traversed by numerous veins of quartz from an inch to five feet wide, some of which contain beautiful crystals of iron pyrites." He adds, that "from some indications noticed, other more valuable minerals will probably be found associated with it." A specimen obtained about midway of the lake is catalogued as "quartz of reddish brown color; crystalline, with yellow iron pyrites, crystallized as well as foilated, disseminated through it."

These quartz veins were ascertained in 1865-66 to be auriferous. A specimen weighing three pounds, containing copper pyrites, was forwarded by the Governor of Minnesota to the mint in Philadelphia, and upon assay was found to contain \$23.63 of gold and \$4.42 of silver per ton of 2,000 pounds. The State Geologist, Mr. H. H. Eames, reports an abundant supply of quartz equal in richness. Other assays in New York—in one instance, by officers of the United States assay office—show results from \$10 to \$35 per ton. There are rumors of larger proportions, but the above are fully authenticated. Professor J. V. Z. Blaney, of Chicago, describes a vein ten feet in width, at the foot of a shaft of fifty feet, which is "indubitably gold-bearing;" and adds, "that specimens taken from its central portion, as proven by assay, would be sufficient in California, Colorado, and other successful mining regions, to warrant further exploration." Washings of the drift near the veins opened have produced gold, but in limited quantities.

The productiveness of the Vermillion mines is not yet determined, but will be tested by several mining organizations during the current year.

CANADIAN MINES.

When, in 1862, gold was discovered upon the sources of the Saskatchewan, a newspaper at Selkirk settlement, the *Norwester*, published statements of the existence of gold between Lake Superior and Lake Winnipeg. Since the Vermillion discovery, rumors of its extension into British America are prevalent, and suggest a probability that the mountain chain known to geographers as the Laurentian, which separates the waters of the St. Lawrence and its lakes from the tributaries of Hudson Bay, may reveal to future explorers extensive deposits of gold and silver. The basin of the St. Lawrence, including the sandstones of Lake Superior, is a lower Silurian formation; that of Hudson Bay granitic or primary, with many evidences in Minnesota, and along the Canadian shore of Lake Superior, of eruptive or igneous agencies.

Sir Roderick Murchison has frequently advanced the opinion that the productive gold districts of the world occur where the silurian, and perhaps the lower strata of devonian rocks are in contact with, or have been penetrated by, greenstones, porphyries, serpentine, granitic and other rocks of the primary formation. Gold, especially when traced to its original matrix, is found to occur chiefly in veins or lodes of quartz rising from beneath and cutting through the secondary strata or beds of which the surface was previously composed. These conditions are observed in the Vermillion district, and Professor Owen, as early as 1850, traced in this locality of Minnesota, and northeastwardly along the north shore of Lake Superior, in Canada, what he denominated a "great plutonic chain," and

"the main axis of dislocation," from which silurian sandstones extend southwardly through Wisconsin and Minnesota, while on the north the streams which are turned towards Hudson bay traverse a region exclusively granitic or primary. If, in Minnesota, an auriferous belt has marked this line of junction, we may with reason anticipate its extension eastwardly into Canada, and northwestwardly towards Lake Winnipeg. Indeed, as English explorers trace this contact of primary and silurian formations along the basins of lakes Slave and Athabasca, and the channel of the Mackenzie to the Arctic Ocean, it becomes an interesting problem for future solution, whether the auriferous deposits of British Columbia and Saskatchewan may not be extended with various degrees of productiveness along the crests which separates the waters of the Gulfs of Mexico and St. Lawrence from those of the Arctic Ocean and Hudson Bay, quite as the discoveries of this century now follow the Ural mines eastward through Siberia to the Pacific.

The intrusion of granitic rocks is not confined in Minnesota to the northeastern angle of the State. It has been traced southwestwardly, near Sauk Rapids, upon the Upper Minnesota, and even to the northwestern boundary of Iowa, in a wedge-like shape, although covered in most places by the mass of drift which constitutes so large a portion of the surface of Minnesota. A similar granitic cape, with its associated minerals, may be the explanation of the alleged gold deposits in the township of Madoc, near Kingston, in Canada West.

In regard to the Madoc mines, the only facts fully established at the date of this report are, that Chicago parties have become purchasers of fifteen acres, the principal locality of the alleged discovery, for the sum of \$35,000; that an excavation of six feet, made originally in search of copper, gold in considerable quantities has been found in course sand, in decayed quartz, and also in a cream-colored quartz that abounded in a crevice and its surroundings; and that an assistant of Sir William Logan, the government geologist, has written a letter to *L'Ordre*, of Montreal, in which he says that the mine—"the Richardson"—"is as remarkable for its richness as for the manner of its existence," and that "he sees, in the Richardson, the best as well as the most encouraging of all indications for the search of gold in Upper Canada." A correspondent of the *New York Tribune*, apparently disinterested, and writing from the vicinity, January 22, 1867, asserts that "some thousands of dollars of native gold have already been secured from this mine and other adjacent localities, and sold in Belleville, Canada West, to jewellers, who pronounced it a very good quality, fully equal to that of Australia." This section of Canada is also known to abound in copper, iron, lead, slate, and marble.

The Chaudiere mines, near Quebec, are probably a development of the Alleghanian range. They have hitherto been confined to placer or alluvial mining on the tributaries of the Chaudiere. Quartz mining has not been prosecuted to any great extent, although an official publication by the Canadian Government reports assays at \$21, \$37, and even \$95 per ton.

NOVA SCOTIA.

The gold fields of Nova Scotia consist of some ten or twelve districts of quite limited area in themselves, but lying scattered along the south-

eastern coast of the province. The whole of this coast, from Cape Sable on the west to Cape Canso on the east, a distance of about 250 miles, is bordered by a fringe of hard, slaty rocks, slate and sandstone in irregular alternations, sometimes argillaceous and occasionally granitic. These rocks are always, when stratified, found standing in a high angle, sometimes almost vertical, and with a course in the main very nearly due east and west. They seldom rise to any great elevation, the promontory of Aspatagon, about 500 feet high, being the highest land on the Atlantic coast of the province. The general aspect of the shore is low, rocky and desolate, strewn often with large boulders of granite or quartzite. This zone of metamorphic rocks varies in width from six to eight miles at its eastern extremity, to forty or fifty at its widest points, presenting in its northern boundary only a rude parallelism with its southern margin, and composing about six thousand square miles of surface, the general outline of what may, geologically speaking, be called the gold region of Nova Scotia.

A contributor to the Atlantic Monthly Magazine for May, 1864, enumerates Tangier Harbor, Wine Harbor, Sherbrooke, Ovens, Oldham, Waverly, Stormont, and Lake Loon—a small lake only five miles distant from Halifax—as localities which have fully determined the auriferous character of the district already described, and selects for specific description, and as a specimen of other veins, the Montague lode at Lake Loon. The course of this is E. 10° N., that being the *strike* of the rocks by the compass in that particular district. It has been traced by surface-digging a long distance—not less, probably than half a mile. At one point on this line there is a shift or fault in the rocks, which has heaved the most productive portion of the vein about thirty-five feet to the north; but for the rest of the distance, so far as yet open, the whole lode remains true and undisturbed.

"Its dip with the rocks around it is almost vertical, say from 85° to 80° south. The vein is contained between walls of slate on both sides, and is a double or composite vein, being formed, first, of the main leader; second, of a smaller vein on the other side, with a thin slate partition wall between the two, and third, of a strongly mineralized slate foot wall, which is in itself really a most valuable portion of the ore channel.

"The quartz which composes these interposed sheets, thus separated, yet combined, is crystalized throughout, and highly mineralized; belonging, in fact, to the first class of quartz recognized in all the general descriptions of the veins of this region. The associated minerals are, here, *cuprite* or yellow copper, green *malachite* or carbonate of copper, *mispickel* or arsenical pyrites, *zinc blende*, *sesquioxide of iron*, rich in gold, and also frequent 'sights' or visible masses of gold itself. The gold is also often visible to the naked eye in all the associated minerals, and particularly in the mispickel and blende.

"The main quartz vein of this interesting lode varies from three to ten inches in thickness at different points on the surface level, but is reported as increasing to twenty inches thick at the bottom of the shaft, already carried down to a depth of forty feet. This very considerable variation in thickness will be found to be owing to the folds or plications of the vein, to which we shall hereafter make more particular allusion.

"The minerals associated with the quartz in this vein, especially the

cuprite and mispickel, are found most abundantly upon the foot-wall side, or underside, of the quartz itself. The smaller accompanying vein before alluded to appears to be but a repetition of the larger one in all its essential characteristics, and is believed by the scientific examiners to be fully as well charged with gold. That this is likely to come up to a very remarkable standard of productiveness, perhaps more so than any known vein in the world, is to be inferred from the official statement in the Royal Gazette of Wednesday, Jan. 20, 1864, published by authority at the chief Gold Commissioner's office in Halifax, in which the average yield of the Montague vein for the month of October, 1863, is given as 3 oz. 3 dwt. 4 gr.; for November, as 3 oz. 10 dwt. 13 gr.; and for December, as 5 oz. 9 dwt. 8 gr. to the ton of quartz crushed during these months respectively. Nor is the quartz of this vein the only trustworthy source of gold. The underlying slate is filled with bunches of mispickel, not distributed in a sheet or any particular order, so far as yet observed, but developed throughout the slate, and varying in size from that of small nuts to many pounds in weight—masses of over fifty pounds having been frequently taken out. The peculiar mineral has always proved highly auriferous in this locality, and a careful search will rarely fail to detect 'sights' of the precious metal imbedded in its folds, or lying hidden between its crystalline plates.

"Nor is the surrounding mass of slate in which this vein is enclosed without abundant evidences of a highly auriferous character. Scales of gold are everywhere to be seen between the laminæ, and, when removed and subjected to the proceeds of 'dressing,' there can be little doubt of its also yielding a very handsome return. In fact, the entire mass of material, which is known to be auriferous, is not less than twelve to fifteen inches at the surface, and will doubtless be found, as all experience and analogy in the district have hitherto shown to be the case, to increase very considerably with the increased depth to which the shafts will soon be carried. No difficulties whatever are apprehended here in going to a very considerable depth, as the slate is not hard and easily permits the miner, in his progress, to bear in upon it without drilling upon the closer and more tenacious quartz.

"The open cut made by the original owners of the Montague property, and by which the veins have been in some degree exposed, absurd and culpable as it is a mode of mining, has yet served a good purpose in showing in a very distinct manner the structure of these veins—a structure which is found to be on the whole very general in the province. The quartz is not found, as might naturally be supposed from its position among sedimentary rocks, lying in anything like a plain, even sheet of equal thickness. On the contrary, it is seen to be marked by *folds* or *plications*, occurring at tolerably regular intervals, and crossing the vein at an angle of 40° or 45° to the west. Similar folds may be produced in a sheet which is hung on a line, and then drawn at one of the lower corners. The cross section of the vein is thus made to resemble somewhat the appearance of a chain of long links, the rolls or swells alternating with the plain spaces through its whole extent. Perhaps a better comparison is that of ripples or gentle waves as seen following each other on the ebb tide in a still time on the beach.

"The distribution of the gold in the mass of the quartz appears to be

highly influenced by the peculiar wavy or folded structure. All the miners are agreed in the statement that the gold abounds most at the swells or highest points of the waves of rock, and that the scarcely less valuable mispickel appears to follow the same law. The spaces between are not found to be so rich as these points of undulation; and this structure must explain the signal contrast in thickness and productiveness which is everywhere seen in sinking a shaft in this district. As the cutting passes through one of these swells the thickness of the vein at once increases, and again diminishes with equal certainty as the work proceeds; below this point destined again to go through with similar alternations in its mass."

The gold of Nova Scotia is remarkable for its great purity, it being on the average twenty-two carats fine, as shown by repeated assay. The bars or ingots are current in Halifax at \$20 an ounce. Assays by Professor Silliman, of Yale College, have ascertained values of \$19.97 and \$20.25, and the gold commissioner of Nova Scotia assumes \$19.50 as the basis of his calculations of the gold product of the province.

The official returns of the deputy gold commissioners for the several districts to the chief commissioners at Halifax are unusually exact and reliable in regard to the most important point of the whole subject namely, the average yield per ton of quartz crushed at the mills. By regulations of the mining department, every miner, or the agent or chief superintendent of each mine, is required, under penalty of forfeiting possession of the mine, to make a quarterly return of the amount of days' labor expended, the number of tons raised and crushed, and the quantity of gold. These returns are not likely to be exaggerated, as a government royalty of three per cent. on the gross product is exacted. Besides the miner's report, all owners of quartz mills are also required to render official returns under oath, and in a form minutely prescribed by the provincial law, of all quartz crushed by them during each month, stating particularly from what mine it was raised, for whose account it has been crushed, and what was the exact quantity in ounces, pennyweights and grains. Upon this basis it appears that the average for all the mining districts is \$30 per ton; while the maximum yield at some of the prominent mines has been \$1,000 per ton at Wine Harbor, \$240 at Sherbrook, \$220 at Oldham, and \$100 at Stormont, during the months of October, November and December, 1863. These results are independent of the great waste which attends the reduction of pyritous ores. The cost of reduction at this time does not exceed \$7 per ton, owing to the moderate scale of prices for labor, supplies and fuel in Nova Scotia.

The writer in the Atlantic Monthly, already referred to, accounts for the absence of alluvial gold by the peninsular formation of Nova Scotia. The action of the glacial period would only transport the detritus of auriferous rocks beneath the Atlantic ocean. Therefore, the gold of Nova Scotia is to be successfully sought under the application of the most scientific and systematic method of deep quartz mining. His summary of these methods is so suggestive that it will be cited:

"The ill-considered system of allotting small individual claims at first adopted by the colonial government was founded, probably, on a want of exact knowledge of the peculiar nature of the gold district, and the consequent expectation that the experiences of California and Australia in

panning and washing were to be repeated here. This totally inapplicable system in a manner compelled the early single adventurers to abandon their claims as soon as the surface-water began to accumulate in their little open pits or shallow levels, beyond the control of a single bucket or other such primitive contrivance for bailing. Even the more active and industrious digger soon found his own difficulties to accumulate just in proportion to his own superior measure of activity, since, as soon as he carried his own excavation a foot or two deeper than his neighbours, he found that it only gave him the privilege of draining for the whole of the less enterprising diggers, whose pits had been sunk to the same level as his own. Thus the adventurers who should ordinarily have been the most successful were soon drowned out by the accumulated waters from the adjacent and sometimes abandoned claims. Nearly all of these early efforts at individual mining are now discontinued, and the claims thus shown to be worthless in single hands have been consolidated in the large companies, who alone possess the means to work them with unity and success.

"The present methods of working the lodes, as now practiced in Nova Scotia, proceed on a very different plan. Shafts are sunk, at intervals of about three hundred feet, on the course of the lodes which it is proposed to work, as these are distinctly traced on the surface of the ground. When these shafts have been carried down to the depth of sixty feet, or, in miner's language, ten fathoms, horizontal *drifts* or *levels* are pushed out from them, below the ground, and in either direction, still keeping on the course of the lode. While these subterranean levels are being thus extended, the shafts are to be again continued downwards, until the depth of twenty fathoms, or one hundred and twenty feet, has been attained. A second and lower set of levels are then pushed out beneath, and parallel to, the first named. At the depth of thirty fathoms a third and still lower set of levels will extend beneath and parallel to the second. The work of sinking vertical shafts, and excavating horizontal levels to connect them, belongs to what is denominated the 'construction of the mine,' and it is only after this has been completed that the work of mining proper can be said to begin.

"The removal of the ore, as conducted from the levels by which access has thus been gained, may be carried on either by 'direct' or by 'inverted grades'—that is, either by breaking it up from underneath, or down from overhead, in each of the levels which have now been described, or, as it is more commonly called in mining language, by 'understopping' or by 'overstopping.' When the breadth of the lode is equal to that of the level, it is perhaps not very material which plan be adopted. But when, as at Oldham, Montague, or Tangier, the lodes are only of moderate width, and much barren rock, however soft and yielding, has of necessity to be removed along with the ore, so as to give a free passage for the miner through the whole extent of the drifts, we shall easily understand that the working by inverted grades, or 'overstopping,' is the only proper or feasible method. In this case, the blasts being all made from the roof or 'back,' as it is called, of the drift, the barren or 'dead' rock, containing no gold, is left on the floor of the drift, and there is then only the labor and expense of bringing the valuable quartz itself, a much less amount in bulk, to the surface of the ground. The accumulating mass of the dead rock under foot will then be constantly raising the floor of the drift, and

as constantly bringing the miners within convenient working distance of the receding roof. In the case of 'understopping,' however, in which the blasts are made from the floor of the drift, it will be perceived that all the rock which is moved, of whatever kind, must equally be brought to the surface, which entails much greater labor and expense in the hoisting; and gravity, moreover, instead of co-operating with, counteracts, it will be understood, the effective force of the powder."

There is quite a concurrence of testimony that the quartz seams increase in richness as they descend, although the excavations have not, as yet, been carried to depths exceeding 100 feet.

The mining statistics of Nova Scotia exhibit very accurately the average yield per man, which in 1863 was 95 cents a day; in 1864, \$1 39; and in 1865, \$2 13. At the rate per diem last mentioned, each man employed produced \$684 80 per annum. The Australian estimates of the production per man of the mining population do not exceed an annual average, since 1851, of \$500.

The value of gold produced in Nova Scotia during the year ending September 30, 1865, was \$509,080, (paying \$18,038 in rents and royalties;) in 1864, \$400,440; in 1863, \$280,020; and in 1862, \$145,500. The earliest discovery of gold occurred in 1860. The productiveness of the mines was not diminished during 1866.

ALLEGHANY GOLD-FIELD.

It can only be determined by a geological exploration, which shall embrace Lower Canada, Maine, New Brunswick, Nova Scotia, and Newfoundland, whether the gold formation of Nova Scotia is associated with the Laurentian range, or is an extension of the auriferous belt which, first observed upon the Coosa River in Alabama, extends in a general northeast direction along the eastern flank of the Alleghanies to the Potomac River, with some partial developments in Maryland, Pennsylvania, Vermont, and New Hampshire, and upon the Chaudiere River, of Lower Canada. In the latter case, the mining experience of Nova Scotia may yield valuable suggestions in regard to the auriferous lodes which are known to be very numerous in the talcose and chloritic schists of the southern Alleghanies. Since the California discovery of 1848, little attention has been given to alluvial mining in Virginia, the Carolinas, and Georgia; and until recently capitalists have acquiesced in the opinion, so confidently expressed by Sir Roderick Murchison in "Siluria" and other publications, that, notwithstanding numerous filaments and traces of gold near their surface, the Alleghany vein-stones held no body of ore downwards which would warrant deep quartz mining. At present, with twenty years' experience in gold mining; with the testimony of miners in Colorado that a lode apparently closed by cap-rock can be recovered, with increased richness, at a lower depth; with other analogies, however imperfect, from the successful treatment of pyritous ores in Nova Scotia; and with the earnest application of inventive minds to new and improved processes of desulphurization, it is evident that the working of the southern mines will be resumed, perhaps with the encouragement of a scientific survey under the auspices of the general government.

The deposits of gold at the United States mint and its branches between

1804 and 1866 from the States traversed by the Appalachian gold-field are reported as follows :

Virginia	\$1,573,182 82
North Carolina	9,278,627 67
South Carolina.....	1,358,663 98
Georgia.....	6,971,681 50
Alabama	201,784 83
	<hr/>
	19,376,890 80

If we admit that an equal quantity passed into manufactures or foreign commerce without deposit for coinage, the aggregate production would be about \$40,000,000, of which fully three-fourths, or \$30,000,000, was mined between 1828 and 1848.

It is not the purpose of this report to enumerate the enterprises now organizing for the development of the Alleghany mines, but to recall some evidence, mostly compiled before the California discovery, in regard to their situation and mineralogical characteristics.

(To be Continued)

TRADE OF THE STATE CANALS.—REPORT OF THE AUDITOR.

The Auditor of the Canal Department, in accordance with the requirements of the statutes, has submitted to the Legislature his annual report of the tolls, trade and tonnage of the canals of this State during the season of navigation of 1866, from which we take the following :

It appears that—

Whole amount of tolls received is..... \$4,436,639

Which is composed as follows :

On boats and passengers.....	228,468	On manufactures.....	153,373
On products of the forest \$940,684		On merchandise.....	131,021
On products of animals. 10,366		On other articles.....	455,440
On products of veg. food 2,512,296—	3,463,340	Total.....	\$4,436,639
On other agricultural products....	1,988		

The whole amount of tonnage arriving at tide-water by way of the Erie Canal from Western States and Canada, during the last season of navigation, was 2,285,716 tons. The whole amount of tonnage arrived at tide-water, the products of this State, during the same period, was 287,948 tons.

The whole number of barrels of flour arriving at tide-water through the canals, during the last season of navigation was.....	590,704
The whole number of bushels of wheat arriving during the same period was 7,534,166, which, turned into flour, calculating five bushels to the barrel, would make	1,516,833
Total in barrels.....	2,107,537

The total number of bushels of corn arriving at tide-water during the same period was 26,516,535. The whole number of boats, new and old, registered during the last year was 485, with a tonnage of 74,630, making an average tonnage of 154.

The total number of lockages at Alexander's lock for the season was 29,882. The greatest number of lockages at any one lock was 30,263—at Lock No. 45, Frankfort.

Comparing the season of 1865 with that of 1866 it shows an increase in revenue of \$596,684, and an increase in tonnage of 1,045,566, divided among the different classes as follows:

Products of the forest, inc.	302,679	Products of animals, dec.	8,431	
Vegetable food, inc.	101,244	Other agricultural prod., dec	2,834—	11,265
Manufactures, inc.	20,409			
Merchandise, inc.	24,910	Increase		1,045,566
Other articles, inc.	607,590—			
	1,056,831			

The whole amount of tonnage transported on the canals during the last season of navigation, ascending and descending, was 5,775,220, and is composed as follows:

Products of the forest	1,769,904	Manufactures	302,241
Products of animals	18,810	Merchandise	179,878
Vegetable food	1,763,931	Other articles	1,737,047
Other agricultural products	3,319—1,786,060		
Total			5,775,220

The value of such tonnage is as follows:

Products of the forest	\$26,754,521	Manufactures	18,389,992
Products of animals	\$7,877,796	Merchandise	1,016,211
Vegetable food	77,854,997	Other articles	87,038,718
Other agricultural products	1,878,141—86,610,934		
Total			\$270,963,676

The total movement of freight, or number of tons carried one mile

During the last season of navigation, was 1,012,448,034

The total movement of the several classes composing such tonnage is as follows:

Products of the forest	\$233,798,859	Manufactures	40,031,747
Products of animals	\$2,190,916	Merchandise	218,289,766
Vegetable food	475,556,914	Other articles	800,417,845
Other agricultural prod.	483,500		
Manufactures	42,098,333	Total	\$1,012,448,034
	478,281,330		

The increase of lockages at Alexander's lock is 3,845. In flour and wheat, compared in the returns of vegetable food, there has been a decrease in tonnage the past year of 159,393, and a decrease in tolls of \$262,722. In corn and oats there has been an increase in tonnage during the same period of 232,639, and an increase in tolls of \$389,728.

Description of property.	Tons of each class carried on the canals.	Tons of each class carried on the railroads.	Total tons of each class carried on the canals & railroads.
Produce of forest	1,769,904	730,605	2,500,509
Produce of animals	18,810	1,22,770	1,341,580
Vegetable food	1,763,931	1,581,785	3,345,716
Other agricultural produce	3,319	445,480	448,799
Manufactures	302,241	1,099,382	1,321,623
Merchandise	179,878	1,334,768	1,514,646
Other articles	1,737,047	2,775,686	4,512,733
Total tons	5,775,220	9,210,476	14,985,696

The following statement shows the number of tons of each class of property carried on the canals during the season of navigation in the year 1866, and on all the railroads in the State, from the 1st of October, 1865, to the 30th of September 1866

Mileage on the canals	1,012,448,034
“ “ railroads	1,048,363,225

The mileage on the canals, or number of tons moved one mile, has increased since 1865 168,582,255 tons, and the mileage on the railroads has increased during the same period 181,715,685 tons.

DEBT OF SAN FRANCISCO.

The funded debt of the city and county is \$4,651,667; against which sinking funds have accumulated to the amount of \$1,000,000, and the provisions are deemed ample for the retirement of bonds within the several periods of maturity. The cash on hand in the Treasury is \$449,388, exclusive of sinking and interest funds. The outstanding bonds and interest are classified as follows:

City bonds of 1851, due 1871, 10 per cent.....	\$1,257,000
" " 1855, " 1875, 6 "	276,500
City and county bonds of 1853, due 1883, 6 per cent....	1,133,500
" " School bonds of 1880, due 1890, 10 per cent.....	54,500
" " " 1881, " "	16,000
" " Railroad bonds of 1862 and 1863, due in 1877 and 1878, 7 per cent..	277,000
" " Judgment bonds of 1863 and 1864, due in 1883 and 1884, 7 per cent	830,267
" " Pacific railroad bonds of 1864, due in 1894, 7 per cent....	400,000
" " Pacific railroad bonds of 1865, due in 1895, 7 per cent.....	250,000
" " School bonds of 1866 and 1867.....	110,000
Total.....	\$4,651,667

The value of property included in the assessment roll of 1866 and 1867 amounts to \$53,585,421 real and \$42,386,049 personal estate—in all \$95,972,470, of which sum about \$20,000,000 will be exempt from taxation, or subject to litigation on questions pending in the Supreme Court, in which is involved the legality of taxing mortgages upon property already assessed to owners of the estate.

Taxes for State, and city and county purposes, are as follows:

City and County Tax—For School Fund.....	35
Street Light Fund	15
Street Department Fund	4½
General Fund	87½
Total for current expenses.....	\$1 22
Corporation Debt Fund	38½
Bonds of 1855, (Sinking Fund)	5
City Slip Judgment Bonds (Interest)	9
" " (Sinking Fund)	7½
Pacific Railroad Interest tax	8½
San Francisco and San Jose Railroad bonds (Interest)	4
" " (Loan Fund).....	2½
Total for Sundry Debts and Interest	75
Total for City and County.....	\$1 97
State Tax—For General Purposes	80½
Interest and Redemption of Bonds of 1837	30
" " " 1860	1½
" " Soldiers' Relief Bonds	4
" " Soldiers' Bounty Bonds	13
" " Line Officers' Bonds	1
Support of Common Schools	8
Interest on Pacific Railroad bonds	8
Construction of State Capital	10
Militia Purposes, (In lieu of Military Poll Tax)	5
Insane Asylum Purposes	3
Total for State purposes	1 13
Total on each \$100 valuation.....	\$3 10

PRICE OF GRAIN—THE CENTAL SYSTEM.

The Secretary of the St. Louis Warehouse Company furnishes to the St. Louis *Republican* the following grain table, showing the value per cental of wheat, corn, rye, barley and oats, at a given price per bushel :

WHEAT.

Per bush.	Per cent'l.	Per bush.	Per cent'l.	Per bush.	Per cent'l.	Per bush.	Per cent'l.	Per bush.	Per cent'l.	Per bush.	Per cent'l.
\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
40.....	66%	90.....	1 50	1 40.....	3 33%	1 80.....	3 16%	2 40.....	4 10	2 88.....	4 80
42.....	70	92.....	1 53%	1 42.....	3 36%	1 92.....	3 20	2 42.....	4 03%	2 90.....	4 83%
44.....	73%	94.....	1 56%	1 44.....	3 40	1 94.....	3 23%	2 44.....	4 06%	2 92.....	4 86%
46.....	76%	96.....	1 60	1 46.....	3 43%	1 96.....	3 26%	2 46.....	4 10	2 94.....	4 90
48.....	80	98.....	1 63%	1 48.....	3 46%	1 98.....	3 30	2 48.....	4 13%	2 96.....	4 93%
50.....	83%	1 00.....	1 66%	1 50.....	3 50	2 00.....	3 33%	2 50.....	4 16%	2 98.....	4 96%
52.....	86%	1 02.....	1 70	1 52.....	3 53%	2 02.....	3 36%	2 52.....	4 20	3 00.....	5 00
54.....	90	1 04.....	1 73%	1 54.....	3 56%	2 04.....	3 40	2 54.....	4 23%	3 02.....	5 03%
56.....	93%	1 06.....	1 76%	1 56.....	3 60	2 06.....	3 43%	2 56.....	4 26%	3 04.....	5 06%
58.....	96%	1 08.....	1 80	1 58.....	3 63%	2 08.....	3 46%	2 58.....	4 30	3 06.....	5 10
60.....	1 00	1 10.....	1 83%	1 60.....	3 66%	2 10.....	3 50	2 60.....	4 33%	3 08.....	5 13%
62.....	1 03%	1 12.....	1 86%	1 62.....	3 70	2 12.....	3 53%	2 62.....	4 36%	3 10.....	5 16%
64.....	1 06%	1 14.....	1 90	1 64.....	3 73%	2 14.....	3 56%	2 64.....	4 40	3 12.....	5 20
66.....	1 10	1 16.....	1 93%	1 66.....	3 76%	2 16.....	3 60	2 66.....	4 43%	3 14.....	5 23%
68.....	1 13%	1 18.....	1 96%	1 68.....	3 80	2 18.....	3 63%	2 68.....	4 46%	3 16.....	5 26%
70.....	1 16%	1 20.....	2 00	1 70.....	3 83%	2 20.....	3 66%	2 70.....	4 50	3 18.....	5 30
72.....	1 20	1 22.....	2 03%	1 72.....	3 86%	2 22.....	3 70	2 72.....	4 53%	3 20.....	5 33%
74.....	1 23%	1 24.....	2 06%	1 74.....	3 90	2 24.....	3 73%	2 74.....	4 56%	3 22.....	5 36%
76.....	1 26%	1 26.....	2 10	1 76.....	3 93%	2 26.....	3 76%	2 76.....	4 60	3 24.....	5 40
78.....	1 30	1 28.....	2 13%	1 78.....	3 96%	2 28.....	3 80	2 78.....	4 63%	3 26.....	5 43%
80.....	1 33%	1 30.....	2 16%	1 80.....	3 00	2 30.....	3 83%	2 80.....	4 66%	3 28.....	5 46%
82.....	1 36%	1 32.....	2 20	1 82.....	3 03%	2 32.....	3 86%	2 82.....	4 70	3 30.....	5 50
84.....	1 40	1 34.....	2 23%	1 84.....	3 06%	2 34.....	3 90	2 84.....	4 73%	3 32.....	5 53%
86.....	1 43%	1 36.....	2 26%	1 86.....	3 10	2 36.....	3 93%	2 86.....	4 76%	3 34.....	5 56%
88.....	1 46%	1 38.....	2 30	1 88.....	3 13%	2 38.....	3 96%				

CORN AND RYE.

Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.
\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
20.....	35 5-7	46.....	83 1-7	73.....	1 23 4-7	98.....	1 75	1 21.....	3 21 3-7	1 50.....	2 67 6-7
22.....	39 2-7	48.....	85 5-7	74.....	1 32 1-7	1 00.....	1 78 4-7	1 23.....	3 25	1 52.....	2 71 3-7
24.....	42 6-7	50.....	89 2-7	76.....	1 35 5-7	1 02.....	1 82 1-7	1 23.....	3 28 4-7	1 54.....	2 75
26.....	46 3-7	52.....	92 6-7	78.....	1 39 2-7	1 04.....	1 85 5-7	1 30.....	3 32 1-7	1 56.....	2 78 4-7
28.....	50	54.....	96 3-7	80.....	1 42 6-7	1 06.....	1 89 2-7	1 32.....	3 35 5-7	1 58.....	2 82 1-7
30.....	53 4-7	56.....	1 00	82.....	1 46 3-7	1 08.....	1 92 6-7	1 34.....	3 39 2-7	1 60.....	2 85 5-7
32.....	57 1-7	58.....	1 03 4-7	84.....	1 50	1 10.....	1 96 3-7	1 36.....	3 42 6-7	1 62.....	2 89 2-7
34.....	60 5-7	60.....	1 07 1-7	86.....	1 53 4-7	1 12.....	2 00	1 38.....	3 45 4-7	1 64.....	2 92 6-7
36.....	64 2-7	62.....	1 10 5-7	88.....	1 57 1-7	1 14.....	2 03 4-7	1 41.....	3 50	1 66.....	2 96 3-7
38.....	67 6-7	64.....	1 14 2-7	90.....	1 60 5-7	1 16.....	2 07 1-7	1 42.....	3 53 4-7	1 68.....	3 00
40.....	71 3-7	66.....	1 17 6-7	92.....	1 64 2-7	1 18.....	2 10 5-7	1 44.....	3 57 1-7	1 70.....	3 03 4-7
42.....	75	68.....	1 21 3-7	94.....	1 67 6-7	1 20.....	2 14 2-7	1 46.....	3 60 5-7	1 72.....	3 07 1-7
44.....	78 4-7	70.....	1 25	96.....	1 71 3-7	1 22.....	2 17 6-7	1 48.....	3 64 2-7	1 74.....	3 10 5-

BARLEY.

Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.	Per bush.	Per cental.
\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
40.....	83 1-3	66.....	1 27 1-2	92.....	1 91 2-3	1 18.....	2 45 5-6	1 44.....	3 00	1 70.....	3 54 1-6
42.....	87 1-3	68.....	1 31 2-3	94.....	1 95 5-6	1 20.....	2 50	1 46.....	3 04 1-6	1 72.....	3 58 1-3
44.....	91 2-3	70.....	1 35 5-6	96.....	2 00	1 22.....	2 54 1-6	1 48.....	3 08 1-3	1 74.....	3 62 1-2
46.....	95 5-6	72.....	1 40	98.....	2 04 1-6	1 24.....	2 58 1-3	1 50.....	3 12 1-2	1 76.....	3 66 2-3
48.....	1 00	74.....	1 54 1-6	1 00.....	2 08 1-3	1 26.....	2 62 1-2	1 52.....	3 16 2-3	1 78.....	3 70 5-6
50.....	1 04 1-6	76.....	1 58 1-3	1 02.....	2 12 1-2	1 28.....	2 66 2-3	1 54.....	3 20 5-6	1 80.....	3 75
52.....	1 08 1-3	78.....	1 62 2-3	1 04.....	2 16 2-3	1 30.....	2 70 5-6	1 56.....	3 25	1 85.....	3 83
54.....	1 12 1-2	80.....	1 66 2-3	1 06.....	2 20 5-6	1 32.....	2 75	1 58.....	3 29 1-6	1 90.....	3 95 5-6
56.....	1 16 2-3	82.....	1 70 5-6	1 08.....	2 25	1 34.....	2 79 1-6	1 60.....	3 33 1-3	1 95.....	4 06 1-4
58.....	1 20 5-6	84.....	1 75	1 10.....	2 29 1-6	1 36.....	2 83 1-3	1 62.....	3 37 1-2	2 00.....	4 16 2-3
60.....	1 25	86.....	1 79 1-6	1 12.....	2 33 1-3	1 38.....	2 87 1-2	1 64.....	3 41 2-3	2 05.....	4 20 5-6
62.....	1 29 1-6	88.....	1 83 1-3	1 14.....	2 37 1-2	1 40.....	2 91 3-4	1 66.....	3 45 5-6	2 10.....	4 25
64.....	1 33 1-3	90.....	1 87 1-2	1 16.....	2 41 2-3	1 42.....	2 95 5-6	1 68.....	3 50	2 06.....	4 29 1-6

OATS.

Per bush. c.	Per cent'l. c.	Per bush. c.	Per cent'l. c.	Per bush. c.	Per cent'l. c.	Per bush. c.	Per cent'l. c.	Per bush. c.	Per cent'l. c.	Per bush. c.	Per cent'l. c.
20.....	57 1-7	38.....	1 08 4-7	56.....	1 60	73.....	2 08 4-7	90.....	2 57 1-7	1 07.....	3 05 5-7
21.....	60	39.....	1 11 3-7	57.....	1 62 6-7	74.....	2 11 3-7	91.....	2 60	1 08.....	3 08 4-7
22.....	62 6-7	40.....	1 14 2-7	58.....	1 65 5-7	75.....	2 14 2-7	92.....	2 62 6-7	1 09.....	3 11 3-7
23.....	65 5-7	41.....	1 17 1-7	59.....	1 68 4-7	76.....	2 17 1-7	93.....	2 65 5-7	1 10.....	3 14 2-7
24.....	68 4-7	42.....	1 20	60.....	1 71 3-7	77.....	2 20	94.....	2 68 4-7	1 11.....	3 17 1-7
25.....	71 3-7	43.....	1 22 6-7	61.....	1 74 2-7	78.....	2 22 6-7	95.....	2 71 3-7	1 12.....	3 20
26.....	74 2-7	44.....	1 25 5-7	62.....	1 77 1-7	79.....	2 25 5-7	96.....	2 74 2-7	1 13.....	3 22 6-7
27.....	77 1-7	45.....	1 28 4-7	63.....	1 80	80.....	2 28 4-7	97.....	2 77 1-7	1 14.....	3 25 5-7
28.....	80	46.....	1 31 3-7	64.....	1 82 6-7	81.....	2 31 3-7	98.....	2 80	1 15.....	3 28 4-7
29.....	82 6-7	47.....	1 34 2-7	65.....	1 85 5-7	82.....	2 34 2-7	99.....	2 82 6-7	1 16.....	3 31 3-7
30.....	85 5-7	48.....	1 37 1-7	66.....	1 88 4-7	83.....	2 37 1-7	1 00.....	2 85 5-7	1 17.....	3 34 2-7
31.....	88 4-7	49.....	1 40	67.....	1 91 3-7	84.....	2 40	1 01.....	2 88 4-7	1 18.....	3 37 1-7
32.....	91 3-7	50.....	1 42 6-7	68.....	1 94 2-7	85.....	2 42 6-7	1 02.....	2 91 3-7	1 19.....	3 40
33.....	94 2-7	51.....	1 45 5-7	69.....	1 97 1-7	86.....	2 45 5-7	1 03.....	2 94 2-7	1 20.....	3 42 6-7
34.....	97 1-7	52.....	1 48 4-7	70.....	2 00	87.....	2 48 4-7	1 04.....	2 97 1-7	1 21.....	3 45 5-7
35.....	1 00	53.....	1 51 3-7	71.....	2 02 6-7	88.....	2 51 3-7	1 05.....	3 00	1 22.....	3 48 4-7
36.....	1 02 6-7	54.....	1 54 2-7	72.....	2 05 5-7	89.....	2 54 2-7	1 06.....	3 02 6-7	1 23.....	3 51 3-7
37.....	1 05 5-7	55.....	1 57 1-7								

Weights of grain per bushel are estimated in the foregoing tables :

Wheat.....	lbs 60	Barley.....	lbs 49
Corn.....	56	Oats.....	35
Rye.....	56		

By a vote of the New York Commercial Association of the Produce Exchange, the central system takes effect in New York on the 1st day of May, 1867.

COMMERCIAL CHRONICLE AND REVIEW.

Adjournment of Congress—Tariff on Wool—Mr. Sherman's Finance Bill—Business for February—Stock Exchange Sales—Prices Railroad Shares—Course of Governments, Gold Exchange, &c., &c.

The last session of the Thirty-ninth Congress has now adjourned, and the long anxiety with regard to its action on important commercial and financial questions is consequently ended. As fruits of the session, we have among the more important bills affecting the mercantile interests a reconstruction act, a bankrupt bill, a wool tariff, and the compound-interest-note bill, and important amendments in the internal revenue act. The great changes that were threatened in our banking law and in the financial policy already established have, to the satisfaction of all, not been enacted. The new tariff on wool and woollens provides as follows :

On woollen manufactured goods, 50 cents per pound, and 35 per cent. *ad valorem*. On flannels valued at above 40 cents per pound, and not exceeding 60 cents per pound, 30 cents per pound ; valued at above 60 cents per pound, and not exceeding 80 cents per pound, 40 cents per pound ; valued at above 80 cents per pound, 50 cents (†) per pound, and in addition thereto, upon all descriptions, 35 per cent. *ad valorem*. On tapestry Brussels carpets 28 cents per square yard, and 35 per cent. *ad valorem*. On wools of the first class, valued at the place of export at 32 cents or less per pound, 10 cents per pound and 11 per cent. *ad valorem* ; if over 32 cents, 12 cents per pound and 10 per cent. *ad valorem* ; on all wools of the second class, the same as on the first class ; on the third class, costing 12 cents or less, 3 cents per pound ; if costing over 12 cents, 6 cents per pound.

Before the close of the session Mr. Sherman introduced an important financial measure for consolidating the public debt. This new project was not acted upon at this session, nor was it intended that it should be, but it was merely brought forward to be in readiness for next Congress.

The bill consists of four distinct provisions. First, it authorizes the Secretary of the Treasury to prepare and issue a new description of six per cent. gold-bearing bonds, to be known as the "Consolidated Debt of the United States." These bonds differ from all existing securities in that they are to bear on their face the condition that the principal and interest shall be payable in standard coin of the United States. This coin payment will thus become an explicit bargain, and positive irreversible contract between the Government and the bondholder. These new coin-bearing securities are not to be sold by the Treasury for less than par, and the proceeds are to be employed for no other purpose but "the purchase or payment of existing indebtedness of the United States." The Seventies, the Fifties, the Compound notes—any and every debt, funded or unfunded, may be bought up by the Secretary under the powers here conveyed to him, and he is subject to no limitation as to the price he shall pay for these outstanding securities, or as to the publicity of his dealings in them. He may buy them secretly through brokers. He may buy them publicly in the open market. He may offer to buy them at a fixed price through the various Sub-Treasuries. There is no restriction as to the terms at which he shall take from the public the Compound Notes, the Seventies, or the new Demand Certificates, should the latter be authorized. The only restriction that Mr. Sherman's bill imposes, is that the Consolidated Coin Bonds shall not be sold for less than par. Practically, therefore, this bill allows an increase of the principal of the public debt to any extent which may be found necessary for buying up the perplexing multitude of public obligations, and consolidating them into one uniform species of long bonds. As no limitation is fixed to the amount of the new issue, the Secretary, of course, may pay therewith any bounties or other indebtedness which have been or may be incurred by the Government.

The second section of this act provides for taxing the new bonds, the amount of the tax being one per cent. on the principal. If this tax is made payable in coin the new bonds will be virtually 5 per cent. bonds, and will closely approximate in intrinsic value the Forties, which can be bought to-day at about 98. If the tax is payable in currency, the consolidated securities will yield more income than the Forties, and would perhaps sell at higher quotations, were it not for the fact that the Forties are "shaken down" in the market. Few of them are offering for sale, while the new Consolidated Bonds would be pressing themselves on the acceptance of purchasers, and their selling value in the market might be depressed below their intrinsic value as an investment as often as the supply, which would be large, exceeded the demand, which might at first be variable and small. For the sake of more easy collection, the 1 per cent. tax is to be kept back out of the semi-annual interest, and the amount so collected is not to be paid into the general revenue of the Government, but it is to become a sinking fund, "irrevocably pledged to the reduction of the public debt."

The formation of a sinking fund, of course, requires that a Board of Commissioners shall be appointed to manage it. This board is by the act to consist-

of two members, the Secretary of the Treasury and the Chief Justice of the United States. This board is empowered to invest "the sums derived from the said tax, and all interest accruing thereon," in purchasing the Consolidated bonds. The Commissioners are allowed to buy when, where, and how they please, but they must not pay more than 5 per cent. premium on their purchases. They may also, at their discretion, "select by lot for purchase," at this rate, any Consolidated bond in the hands of the public, and on such selected bonds the interest shall cease forthwith.

Never, probably, was there a financial enactment so comprehensive in its scope or so searching in its operation. The first three sections, as we have seen, attempt to liquify and recrystallize that part of our debt which is held at home. But there is a fourth section, which applies itself to that part of the debt which is held abroad. Here the Secretary of the Treasury is empowered to act alone and independently of the Chief Justice. He is authorized to issue 500 millions of new 5 per cent. 20 year bonds, which shall be unlike any securities ever issued by our Government in two respects. First, "the principal and interest shall be payable at such places in Europe as he may deem best" Secondly, the said principal and interest shall be payable, not in money of the United States, but "in the coin of the country where payable" The Secretary of the Treasury may thus issue sterling bonds payable in London; bonds expressed in francs payable in Paris, or in thalers or guilders payable in other continental cities. These foreign bonds are to be disposed of only in exchange for 6 per cent. Fifties, and our Government, in making the exchange, is not to submit to a discount of more than five per cent.

Such is the bill which is now offered for the consideration of the people, and will be debated in Congress at as early a period as other pressing business will allow. Our readers will see that this bill is in its main features identical with measures which have been again and again for years past voted down in Congress. As no new arguments have as yet been advanced in its favor, we at present content ourselves with simply giving utterance to the general impression which, so far as we observed, the bill seems to have produced. The prevailing conviction in some quarters is that the bill is too wide in its sweep, too ambitious in its aims, too productive of change to be safe. Others point out the fact that it does not meet the real difficulties of the Treasury. These difficulties are at present confined to one particular part of the debt—namely, the short obligations. The trouble is to get our Compound Notes funded, to get our Seventies funded, to get every demand obligation funded. Mr. McCulloch, in his last annual report, remarked that as Congress would not confer on him additional power to contract the currency, he had devoted himself to the work of funding short government paper into long bonds. He cannot do better than persevere in this work of funding. It was with much surprise that the country learned that the Treasury, notwithstanding all Mr. McCulloch's efforts in funding, was in fear of embarrassment from the maturing Compound Notes. In five months some 150 millions of Seventies will claim his attention. Once these notes are out of the way, he will see in the distance other importunate claims. The 400 millions of 1868 Seventies will find him enough to do. Until the Treasury has provided for all the Seventies, all the Compound Notes, all the demand obli-

gations, and in fact every debt which falls due at short dates, it will be unwise, and can only tend to embarrassment and public loss, to tamper with the long bonds of the Government, or to liquify and float the funded debt in hopes of making some better bargain with the public creditors at home and abroad.

As to the specific questions relative to the sinking fund, the consolidation of the debt, the proper officers to be entrusted with the management of such delicate and difficult operations, they will come up for discussion if the bill is pressed in Congress. Some of these questions we propose, in any case, to discuss at an early day.

The business of February has been of a generally unsatisfactory character. The spring trade has opened unusually late, and with discouraging symptoms. From the South there has been but few representatives in the market, that section of the country appearing to require but few goods. The credit purchases of last fall have not been paid for with the punctuality which was expected from the comparatively high price of cotton; and the merchants of that section assign as reason that the cotton crop has left but little profit, while a considerable portion of their winter stock of merchandise still remains on hand.

The Western demand for goods has been much less than was anticipated. The jobbers of that section complain of unusual difficulty in making collections, and have, in many cases, to ask from their creditors a renewal of their notes. Under these circumstances there is an unusual number of interior merchants to whom it is not deemed safe to extend the ordinary facilities of credit. At the same time there has been a general lack of confidence in the maintenance of the price of goods, the markets being evidently well supplied, while from the general contraction of expenses among consumers it has seemed evident that there can be but a limited demand. The unsettled condition of legislation upon many vital questions, especially those of reconstruction, tariff and currency, has also had a very direct tendency to depress trade in every department. Toward the close of the month there was an improvement in the amount of transactions; but the prevailing tone continued discouraging, the occurrence of failures among minor firms in the dry goods and grocery trades having added somewhat to the prevailing uneasiness.

This inactivity in general business has naturally favored a growth of ease in banking affairs. The month opened with a large gain in the legal tender reserves and the deposits of the banks and a decline in loans; but, from the middle of the month large sales of new Sixty-five bonds by the Treasury drew a considerable amount of currency out of the banks, which, however, was refunded to the extent of seven or eight millions at the close upon purchases of Seven-thirty notes by the Assistant Treasurer. The rate of interest on demand loans has ranged mostly at 5@6 per cent. throughout the month, with less of the severe discrimination as to collaterals than was observed in January. The banks have discounted merchants' paper much more freely, though with a marked caution as to certain branches of trade deemed specially risky, the rate on prime notes having ranged at 6½@7½ per cent.

The following are the rates of loans and discounts during the month of February:

RATES OF LOANS AND DISCOUNTS.

	Feb. 2.	Feb. 9.	Feb. 16.	Feb. 23.
Call loans	7 @ -	6 @ -	6 @ 7	5 @ 6
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos.....	7 @ -	7 @ -	7 @ -	6½ @ 7
Good endorsed bills, 3 & 4 mos.....	7 @ 8	7 @ 8	7 @ 8	7 @ 7½
" " single names.....	8 @ 9	8 @ 9	8 @ 9	7½ @ 9
Lower grades	8 @10	8 @10	8 @10	8 @10

In the stock market there has been a material falling off in transactions, resulting from the uncertainty connected with legislation upon the currency question, it being generally felt that the course of the money market must depend ultimately upon that issue. The aggregate transactions in stocks at both boards for the month amount to 1,475,363 shares, against 2,423,684 in January. Government securities have been unusually active, owing to large conversion operations by the agents of the treasury, and to an enlarged demand for Five twenties from Europe; and prices range at the close considerably above the average.

The volume of shares sold at the boards in January and February, and since January 1, is shown in the following statement:

	January.	February.	Since Jan. 1.
Bank shares.....	2,461	1,929	4,390
Railroad.....	2,200,510	1,293,351	3,493,761
Coal.....	24,386	10,369	34,655
Mining.....	65,375	29,930	95,305
Improv't.....	20,344	13,950	39,294
Telegraph.....	49,501	23,857	83,358
Steamship.....	56,504	91,618	148,122
Other.....	4,703	6,409	11,112
At Regular Board.....	765,359	634,131	1,399,490
At Open Board.....	1,638,325	841,242	2,479,567
Total 1867.....	2,423,684	1,475,363	3,899,047
Total 1866.....	2,459,517		

The amount of Government bonds and notes, State and city bonds and company bonds sold at the regular board in the same months compares as follows:

	January.	February.	Since Jan. 1.
United States bonds.....	\$6,863,300	\$6,150,300	\$13,013,600
United States notes.....	1,988,200	1,764,850	3,753,050
City and State bonds.....	2,524,800	2,422,800	4,947,600
Company bonds.....	732,500	752,200	1,484,700
Total, 1867.....	\$12,108,800	\$11,090,150	\$23,198,950
" 1866.....	12,155,700	9,822,000	21,977,700

The following are the closing quotations at the regular board to-day, compared with those of the six preceding weeks:

	Jan. 18.	Jan. 25.	Feb. 1.	Feb. 8.	Feb. 15.	Feb. 21.	Feb. 28.
Cumberland Coal.....	83	83	83	83	83	83	30½
Quicksilver.....	41	38½	40	40	39	40	40
Canton Co.....	46½	45	44	46½	46	45	45
Mariposa pref.....	30½	28½	28½	21½	23½	22½	22½
New York Central.....	109	101	x d. 99½	102½	100	101½	102½
Erie.....	63½	58½	56½	59½	56½	56½	55½
Hudson River.....	125½	121	127	130½	130	134½	137
Reading.....	103	109	104½	104½	104½	104½	102½
Michigan Southern.....	78	71	71½	75½	73	73½	72½
Michigan Central.....	107	108½	107	109	108	107½	108
Cleveland and Pittsburg.....	9	81½	83	85½	83	79½	81
Cleveland and Toledo.....	125½	130½	120	120½	104½	104½	118½
Northwestern.....	49	36½	36½	38½	36	39	35½
" preferred.....	79½	64½	64½	69½	66½	65½	65
Rock Island.....	98½	96½	95½	98½	97½	97	95½
Fort Wayne.....	96½	95½	97½	98½	97½	96½	94½
Illinois Central.....	120	113½	114½	114½	115½	116	115½

The following table gives the closing prices of the principal government securities on each day of the month :

PRICES OF GOVERNMENT SECURITIES, FEBRUARY, 1867.

Day of month.	6's, 1881.		6's, (5-30 yrs.) Coupon.		5's, 10-40 yrs.		7-30's
	Coup.	Reg.	1862.	1864.	1865.	new.	1867.
Friday 1.	107½	107½	107½	106	105½	104½	104½
Saturday 2.	107½	107½	107½	106	105½	104½	104½
Sunday 3.	107½	107½	107½	106	105½	104½	104½
Monday 4.	107½	108	107½	106	105½	104½	105½
Tuesday 5.	108½	108½	108½	106½	106½	105	106½
Wednesday 6.	108½	108½	108½	106½	106½	105	106½
Thursday 7.	108½	108½	108½	106½	107½	105	106½
Friday 8.	108½	108½	108½	106½	107½	105½	106½
Saturday 9.	108½	108½	108½	106½	107½	105½	106½
Sunday 10.	108½	108½	108½	106½	107½	105½	106½
Monday 11.	108½	108½	108½	106½	107½	105½	106½
Tuesday 12.	108½	108½	108½	106½	107½	105½	106½
Wednesday 13.	109	109	109	107	107½	105½	106½
Thursday 14.	109½	109½	109½	107½	107½	105½	106½
Friday 15.	109½	109½	109½	107½	107½	105½	106½
Saturday 16.	109½	109½	109½	107½	107½	105½	106½
Sunday 17.	109½	109½	109½	107½	107½	105½	106½
Monday 18.	109½	109½	109½	107½	107½	105½	106½
Tuesday 19.	110	109½	111	108	109	106	106½
Wednesday 20.	110½	109½	111½	108½	109	106½	106½
Thursday 21.	110½	109½	111½	108½	109	106½	106½
Friday 22.	110½	109½	111½	108½	109	106½	106½
Saturday 23.	110½	109½	111½	108½	109	106½	106½
Sunday 24.	110½	109½	111½	108½	109	106½	106½
Monday 25.	110½	109½	111½	108½	109	106½	106½
Tuesday 26.	110½	109½	111½	108½	109	106½	106½
Wednesday 27.	110½	109½	111½	108½	109	106½	106½
Thursday 28.	110½	109½	111½	108½	109	106½	106½
First.	107½	107½	107½	105½	105½	104½	104½
Lowest.	107½	107½	107½	105½	105½	104½	104½
Highest.	110½	109½	111½	108½	109	106½	106½
Latest.	110½	109½	110½	108	108½	106½	106½

Washington's Birthday—Legal Holiday.

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement :

Issue of	Feb.	Feb. 14.	Feb. 21.	Feb. 28.
June, 1864.	117½@117½	117½@117½	117½@117½	117½@117½
July, 1864.	116½@117½	117 @117½	117½@117½	117½@117½
August, 1864.	11½@116½	116½@116½	116½@116½	116½@116½
October, 1864.	115½@115½	115½@115½	115½@115½	115½@115½
December, 1864.	114½@114½	114½@114½	114½@114½	114½@114½
May, 1865.	112 @114½	112½@112½	112½@112½	112½@112½
August, 1865.	111 @111½	111½@111½	111½@111½	111½@111½
September, 1865.	110½@110½	110½@111	110½@111½	110½@111½
October, 1865.	110½@110½	110½@110½	110½@110½	110½@110½

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—FEBRUARY, 1867.

Date.	Cons for mon.	Am. securities U.S. 5-20's.	Ill. C. sh's.	Erie sh's.	Date.	Cons for mon.	Am. securities U.S. 5-20's.	Ill. C. sh's.	Erie sh's.
Friday 1.	90½	72½	80½	39	Sunday 17.	91	73½	78	37½
Saturday 2.	90½	73	80½	38½	Monday 18.	91	73½	78	37½
Sunday 3.	90½	73	80½	38½	Tuesday 19.	91	74	78	38½
Monday 4.	90½	72½	81	38½	Wednesday 20.	90½	74½	78	38
Tuesday 5.	90½	72½	81	38½	Thursday 21.	91	74	78½	37½
Wednesday 6.	90½	72½	80½	39½	Friday 22.	90½	73½	77½	37½
Thursday 7.	90½	72½	80½	39½	Saturday 23.	91	73½	77	37½
Friday 8.	90½	72½	81	40	Sunday 24.	91	73½	77½	37½
Saturday 9.	91½	73½	80½	39½	Monday 25.	91	73½	77½	37½
Sunday 10.	91	73½	81½	39½	Tuesday 26.	91	73½	77½	37½
Monday 11.	91	73½	81½	39½	Wednesday 27.	91	73½	76½	36½
Tuesday 12.	90½	73½	81½	39½	Thursday 28.	90½	73½	76½	36½
Wednesday 13.	91	73½	81½	39½					
Thursday 14.	91	73½	78½	40	Highest.	91½	74½	81½	40
Friday 15.	91	73½	78½	39½	Lowest.	90½	73½	76½	36½
Saturday 16.	91	73½	78½	38	Range.	%	1½	4½	3½

The lowest and highest quotations for U. S. 6's of 1862, at Paris and Frankfurt, in the weeks ending Thursday, have been as follows :

	Jan. 31.	Feb. 7.	Feb. 14.	Feb. 21.	Feb. 28.
Paris.....	81½ @ 83	82 @ 83½	82½ @ 83½	83½ @ 83½	83½ @ 83½
Frankfort.....	76 @ 76½	74½ @ 76½	75½ @ 76½	77 @ 78	76½ @ 77½

The price of gold has been subject to wide fluctuations, in sympathy with the varying phases of legislation upon the reconstruction of the Southern States and the course of legislation upon the currency question. The demand for customs duties has been large, owing to the desire of importers to get their goods out of bond before the adoption of a higher tariff; and this cause has tended to put up the premium. The price opened at 135½ and closed at 139½, having touched at the highest point 140½. The receipts from California and foreign ports during the month have been \$1,850,109, and the exports \$2,600,000, showing an excess of \$749,891 in exports over receipts.

COURSE OF GOLD AT NEW YORK, FEBRUARY.

Date.	Open'g	Lowest	High't	Closing	Date.	Open'g	Lowest	High't	Closing
Friday.....	138½	138½	138½	138½	Wednesday.....	30	136½	136½	137½
Saturday.....	2	136½	136½	136½	Thursday.....	21	137½	137½	138½
Sunday.....	3				Friday.....	23			(Holiday.)
Monday.....	4	136½	136½	137½	Saturday.....	23	138½	138½	138½
Tuesday.....	5	137½	136½	138½	Sunday.....	24			
Wednesday.....	6	136½	136½	137½	Monday.....	25	138	137½	138½
Thursday.....	7	138½	137½	139	Tuesday.....	26	138½	138½	139½
Friday.....	8	137½	137½	138½	Wednesday.....	27	139½	139½	140½
Saturday.....	9	137½	137	137½	Thursday.....	28	139½	139½	139½
Sunday.....	10				Feb. 1867.....		135½	135½	140½
Monday.....	11	136½	136½	136½	" 1866.....		140½	135½	140½
Tuesday.....	12	136½	136½	137½	" 1865.....		304½	196½	216½
Wednesday.....	13	137½	136½	137½	" 1864.....		157½	157½	161
Thursday.....	14	137½	136½	137½	" 1863.....		157½	153½	172½
Friday.....	15	136½	136½	136½	" 1862.....		133½	102½	104½
Saturday.....	16	136½	136½	137	" 1861.....		100	100	100
Sunday.....	17				s'ce Jan. 1, 1867.....		132½	133½	140½
Monday.....	18	136½	136½	136½					
Tuesday.....	19	136½	136½	136½					

The imports and exports of treasure at this port in February and since January 1, have been as shown in the following statement.

MOVEMENT OF TREASURE IN FEBRUARY AND SINCE JANUARY 1.

	January.	February.	Since Jan. 1.
Receipts from California.....	\$2,472,886	\$1,740,109	\$4,213,004
Imports from foreign ports.....	126,719	136,491	263,210
Total from both sources.....	\$2,599,614	\$1,876,600	\$4,477,214
Exports to foreign ports.....	2,561,866	2,194,461	4,756,817
Excess of exports over receipts.....		\$247,861	\$199,603
Excess of receipts over exports.....	\$48,268		

The following shows the amount of receipts and exports in February and since January 1, for the last seven years :

	Receipts from Cal.		Imp. from for'n ports		Exp's to for. ports	
	Feb.	Since Jan. 1.	Feb.	Since Jan. 1.	Feb.	Since Jan. 1.
1867.....	\$1,740,109	\$4,213,004	\$135,491	\$263,210	\$2,124,461	\$4,672,917
1866.....	3,603,000	5,083,314	172,122	224,968	1,507,080	4,513,866
1865.....	914,725	2,969,193	106,904	159,172	1,022,201	4,308,064
1864.....	1,250,069	2,169,270	88,150	222,940	3,015,267	8,474,446
1863.....	961,823	3,269,505	213,971	315,877	3,965,664	8,650,328
1862.....	2,250,795	4,450,338	62,007	225,575	3,776,919	6,435,128
1861.....	3,622,893	7,507,998	2,274,067	9,536,266	1,102,926	1,161,899

The amount of specie and bullion drawn from unreported sources—private boardings, Treasury sales, unmanifested receipts from California and foreign ports (including coin brought by immigrants), and receipts from the interior and overland from the gold regions—was in January \$5,133,944, and in February \$6,424,630. or since January 1, \$11,558,574, as shown by the subjoined formula :

	January.	February.	Since Jan. 1.
Specie in banks at or near commencement.....	\$13,185,323	\$16,332,984	\$18,185,223
Receipts of treasure from California.....	2,473,895	1,740,109	4,213,004
Imports of specie and bullion from foreign ports.....	136,719	136,491	263,210
Coin paid by Treasury for interest.....	7,485,945	5,183,323	8,007,777
Total reported supply.....	\$22,970,781	\$18,781,416	\$25,669,213

From which subtract amounts withdrawn from market, viz :

Export of specie and bullion to foreign ports.....	\$3,551,356	\$2,194,461	\$4,675,517
Paid into Treasury on account of customs.....	9,520,385	11,452,204	20,972,589
Total withdrawn from market.....	\$12,071,741	\$13,576,665	\$25,648,406
Excess of supply over withdrawals.....	\$11,199,040	\$5,154,751	\$20,807
Specie in banks at or near close.....	16,332,984	11,579,891	11,579,891
Drawn from unreported sources.....	\$5,133,944	\$6,424,630	\$11,558,574

Foreign Exchange has been unusually steady, the rate of sterling bankers' bills, 60 days, having ranged at 108½@109. The following are the daily quotations.

The first series of figures represents the buying, and the last the selling prices at first-class broker's offices.

COURSE OF FOREIGN EXCHANGE (60 DAYS)—FEBRUARY.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin. cents for thaler.
1.....	108½@108½	520 @517½	41½@41½	78½@79½	36½@36½	72 @72½
2.....	108½@108½	522½@518½	41 @41½	78½@79	36 @36½	72 @72½
3.....						
4.....	108½@108½	522½@518½	41 @41½	78½@79	36 @36½	72 @72½
5.....	108½@108½	522½@517½	40½@41½	78½@79	36 @36½	71½@72½
6.....	108½@108½	522½@517½	40½@41½	78½@79	36 @36½	71½@72½
7.....	108½@108½	522½@517½	40½@41½	78½@79	36 @36½	71½@72½
8.....	108½@108½	522½@517½	40½@41½	78½@79	36½@36½	71½@72½
9.....	103½@108½	520 @517½	40½@41½	78½@79	36½@36½	71½@72½
10.....						
11.....	108½@108½	518½@517½	41½@41½	78½@79	36½@36½	72 @72½
12.....	108½@108½	520 @518½	40½@41½	78½@79	36 @36½	71½@72½
13.....	108½@108½	520 @518½	40½@41½	78½@79	36 @36½	72 @72½
14.....	108½@108½	518½@517½	41½@41½	78½@79	36½@36½	72½@72½
15.....	108½@108½	518½@517½	41½@41½	78½@79	36½@36½	72½@72½
16.....	108½@108½	520 @518½	41 @41½	78½@79	36 @36½	71½@72½
17.....						
18.....	108½@108½	518½@517½	41½@41½	78½@79	36½@36½	72½@72½
19.....	108½@108½	518½@517½	41½@41½	78½@79	36½@36½	72½@72½
20.....	108½@109	520 @517½	41½@41½	78½@79	36½@36½	71½@72½
21.....	108½@109	517½@516½	41½@41½	79 @79½	36½@36½	72½@72½
22.....		Washington's Birthday—Legal Holiday.				
23.....	108½@109	517½@516	41½@41½	79 @79½	36½@36½	72½@72½
24.....						
25.....	108½@109	517½@515	41½@41½	79 @79½	36½@36½	72½@72½
26.....	108½@108½	517½@516½	41½@41½	79 @79½	36½@36½	72½@72½
27.....	108½@108½	518½@516½	41½@41½	78½@79	36½@36½	72½@72½
28.....	108½@108½	518½@516½	41½@41½	78½@79	36½@36½	72½@72½
Feb....	108½@109	522½@515	40½@41½	78½@79½	36 @36½	71½@72½
Jan.....	106½@109½	520 @518½	41½@41½	78½@79½	36½@36½	72 @72½

Short sight on London has been as follows :

Days.		Days.		Days.	
1.....	100% @ 109%	11.....	109% @ 109%	21.....	109% @ 109%
2.....	109 @ 110%	12.....	109% @ 109%	22.....	(Holiday.)
3.....	@	13.....	109% @ 109%	23.....	109% @ 109%
4.....	109 @ 109%	14.....	109% @ 109%	24.....	@
5.....	109 @ 109%	15.....	109% @ 109%	25.....	109% @ 109%
6.....	109 @ 109%	16.....	109% @ 109%	26.....	109% @ 109%
7.....	109 @ 109%	17.....	@	27.....	109% @ 109%
8.....	109 @ 109%	18.....	109% @ 109%	28.....	109% @ 109%
9.....	109% @ 109%	19.....	109% @ 109%		
10.....	@	20.....	109% @ 109%	Month.....	109 @ 109%

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Act for Retiring Compound Notes—Debt Statement for March—Returns of the New York, Philadelphia, and Boston Banks.

The old Saxon proverb which says that "over doing is undoing" has received many an illustration from the political and social changes of this country. When the Certificates of Indebtedness were paid off, toward the close of last year, our readers will remember that we expressed doubts as to the expediency of taking such popular and harmless government securities out of the hands of investors, and suggested that, in some future emergency, when the Treasury should be in need, the issue, as experience had fully proved, might be made available to the extent of 100 millions of dollars or more. Besides the old certificates, which amounted at one time to 280 millions of dollars, other short-time obligations of the Treasury were paid off, leaving, as it was supposed, nothing outstanding which during the present year could produce embarrassment. This, we admit was our understanding of the Treasury movements, and we presume the same conviction prevailed among the public generally. We confess, therefore, to have been not a little surprised when it was announced that authority to issue greenbacks or a new kind of certificates was necessary for liquidating 100 millions of compound notes falling due this year. A bill was introduced into Congress for this purpose, and after undergoing several changes became a law in the following form :

Be it enacted, &c., That for the purpose of redeeming and retiring any compound interest notes outstanding, the Secretary of the Treasury is hereby authorized and directed to issue temporary loan certificates in the manner prescribed by section four of the act, entitled "An act to authorize the issue of United States notes and for the redemption or funding thereof, and for funding the floating debt of the United States," approved Feb. 25, 1862, bearing interest at a rate not exceeding three per centum per annum, principal and interest payable in lawful money on demand; and said certificate of temporary loan may constitute and be held by any national bank, holding or owning the same as a part of the reserve provided for in sections 31 and 32 of the act entitled "An act to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June 3, 1864. Provided that not less than two fifths of the entire reserve of such bank shall consist of lawful money of the United States; and provided, further, that the amount of such temporary certificates at any time outstanding shall not exceed \$50,000,000.

The certificates here authorized differ from the old ones in two respects—first they are payable in greenbacks on demand, and secondly, they are permitted to

be held by the banks as part of their reserve. These new certificates are in reality due-bills, or sight drafts on the Treasury, payable not in National Bank notes, as are other maturing securities, but in greenbacks exclusively. Being thus exchangeable into greenbacks on demand, the certificates can be available as reserve wherever there is a Treasury office close at hand provided with a sufficient stock of greenbacks to meet them. But in the smaller cities, where no Sub-Treasury exists, what are the banks to do? They will be unable to hold this kind of reserve, for, in the event of a sudden run, they might be obliged to stop payment before they could convert certificates into greenbacks.

The debt statement for March which appears in this number offers several interesting features. It will be seen that no less than 42 millions of long bonds have been disposed of—32 millions in exchange for compounds and seven-thirties, and 10 millions for money. Only a part of this cash has been disbursed, so that the currency balance has been augmented 7½ millions. The coin balance has also accumulated 10 millions in consequence of customs receipts. Its amount is now \$107,271,031. As the claims against this gold by holders of coin certificates amount to \$18,376,180, the net balance of coin is \$88,894,851. There is a very strong antipathy both in and out of Congress against allowing so large a sum of idle cash to remain locked up in the Treasury while the Government is paying so heavy a rate of interest as 8 per cent. on all the long bonds it issues. The interest at 8 per cent. on the sum we have now in the Treasury vaults would amount to 12 millions of dollars a year. If this sum could be reduced by one-half 6 millions a year would be saved.

In view of the recent changes in the income tax, which may reduce its product from 60 to 40 millions, or perhaps less, the country cannot afford to lose so large an annual sum in interest. Especially in this accumulation of currency to be objected to when, as in the present case, it is obtained by selling gold-bearing bonds. What private individual in his ordinary business could afford to borrow money at high rates for the sole purpose of keeping it idle? We sometimes hear the excuse that the public credit is improved when we can show a full purse, and that a large balance in the Treasury helps the price of our bonds. There is no practical force in this reasoning. A working balance is all we want. If adequate for actual payments a small balance is better than a large one. What helps the public credit is not the idle balance but the incoming revenue. An overgrown temporary balance is a temporary reservoir which may become exhausted, but a revenue is a stream which flows perennially. There are many popular objections to the heavy Treasury balances which Mr. McCulloch has lately allowed himself to accumulate. But in the present state of the country it ought to be unnecessary to urge any other argument than this one of economy.

Below we give the returns of the Banks of the three cities for the month of February.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5. . . .	\$257,862,460	12,794,892	82,762,779	202,633,564	65,026,121	428,987,787
January 12. . . .	268,995,468	14,618,477	82,535,108	202,517,608	68,246,370	605,132,006
January 19. . . .	268,032,228	15,365,307	82,854,928	201,600,115	62,226,386	590,040,028
January 26. . . .	251,674,801	16,014,007	82,967,198	197,962,076	68,426,569	568,822,814
February 2. . . .	251,264,365	16,322,98	82,306,347	200,511,696	65,944,541	512,477,258
February 9. . . .	253,298,625	16,157,257	82,777,00	198,241,835	67,628,992	608,825,553
February 16. . . .	253,131,828	14,791,626	82,956,309	196,072,392	64,642,940	455,833,529
February 23. . . .	257,823,994	12,513,456	83,006,141	198,420,317	63,153,896	413,574,086

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5.....	\$20,209,064	52,312,517	903,663	10,388,820	41,508,327
January 12.....	20,006,255	52,528,491	903,320	10,380,577	41,023,421
January 19.....	19,448,099	52,458,807	877,548	10,381,595	30,048,648
January 26.....	19,363,374	52,168,473	880,583	10,384,683	39,001,779
February 2.....	19,269,128	55,55,130	871,564	10,430,838	39,592,712
February 9.....	19,659,250	52,384,329	873,614	10,449,983	39,811,595
February 16.....	18,892,747	52,573,130	867,110	10,522,973	40,060,717
February 23.....	17,887,598	52,394,721	841,223	10,566,424	38,646,013

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation	
					National.	State.
January 7.....	\$97,009,342	1,183,461	17,086,387	40,824,518	24,580,367	312,664
January 14.....	98,481,778	1,334,300	16,829,495	40,346,216	24,997,446	311,749
January 21.....	95,398,933	1,078,160	16,59,799	38,679,604	24,275,162	301,911
January 28.....	97,891,329	1,058,829	16,816,481	39,219,241	24,716,597	302,298
February 4.....	97,742,461	956,569	16,394,604	39,708,053	24,691,075	306,014
February 11.....	97,364,169	873,396	1,108,479	39,474,359	24,688,063	305,603
February 18.....	96,949,473	929,940	15,398,339	38,900,500	24,765,420	305,604
February 25.....	95,38,900	779,402	15,741,046	37,893,963	24,963,805	303,228

PUBLIC DEBT OF THE UNITED STATES.

A abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of January, the 1st of February, and the 1st of March, 1867, comparatively :

DEBT BEARING COIN INTEREST.

	Jan. 1.	Feb. 1.	Mar. 1.
5 per cent. bonds.....	\$198,091,350	\$198,091,350	\$198,091,350
" " of 1867 and 1868.....	15,753,442	15,779,442	15,679,444
" " of 1881.....	253,740,860	253,745,250	253,745,400
" " 5.20's.....	891,125,100	910,039,600	954,839,000
Navy Pension Fund.....	11,750,000	12,500,000	12,050,000
	\$1,400,490,742	\$1,420,145,542	\$1,464,555,192

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$10,622,000	\$12,922,000	\$12,922,000
3-year Compound Interest Notes.....	144,900,840	143,064,640	141,308,830
3-year 7.30 notes.....	676,566,600	663,636,100	632,793,050
	\$822,379,440	\$819,672,740	\$787,028,880

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$16,513,590	\$15,791,454	\$14,576,689
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DEBT BEARING NO INTEREST.

United States Notes.....	\$380,497,842	\$381,427,090	\$376,235,636
Fractional currency.....	28,732,312	28,743,784	29,514,729
Gold certificates of deposit.....	16,442,680	10,992,980	18,376,180
	\$425,672,834	\$420,163,854	\$424,126,523
Aggregate debt.....	\$2,675,062,505	\$2,685,778,540	\$2,690,587,989
Coin and Currency in Treasury.....	131,737,338	142,423,721	159,823,399
Debt, less coin and currency.....	\$2,543,325,173	\$2,543,354,749	\$2,530,763,890

The following statement shows the amount of coin and currency parately at the dates in the foregoing table :

	Jan. 1.	Feb. 1.	Mar. 1.
Gold Coin.....	\$97,841,968	\$97,354,604	\$107,271,031
Currency.....	23,895,765	45,069,197	52,253,368
Total gold coin and currency.....	\$121,737,733	\$142,423,791	\$159,524,399

MISSOURI STATE DEBT.

A bill "to restore and maintain the credit of the State of Missouri" was introduced in the Senate of Missouri on the 24th of January. The bill proposes to fund all the railroad debt, including coupons up to January 1, 1867, into bonds running twenty years and payable at New York. The following provisions are included in the bill:

Sec. 2. Said bonds shall be used for the single object of consolidating the railroad debt of the State, now in default, with the accrued interest thereon, and shall be issued only in exchange for the bonds and overdue coupons thereon, heretofore issued by the State, or guaranteed by the State, in aid of certain railroad companies, as follows: For the \$7,000,000 issued to the Pacific Railroad; for the \$4,500,000 issued in exchange or guaranteed for the same company; for the construction of the Southwest branch; for the \$4,350,000 issued to the North Missouri Railroad Company; for the \$3,501,000 issued to the St. Louis and Iron Mountain Railroad Company; for the \$650,000 issued to the Cario and Fulton Railroad Company, and for the \$700,000 issued to the Platte County Railroad Company; and the holders of the bonds aforesaid shall at any time after the passage of this act have the privilege of exchanging the same for consolidation bonds, and of funding the coupons due at the date of the passage of this act, when presented in sums of \$1,000; provided that for any balance less than \$1,000 the State Treasurer shall give in exchange certificates of indebtedness, which shall be converted into consolidation bonds, whenever presented in sums of not less than \$1,000.

Sec. 8. There is hereby appropriated to the interest and sinking fund the sum of \$4,500,000 out of the moneys to be received from the United States under the provisions of the act of Congress entitled "An act to reimburse the State of Missouri for moneys expended for the United States in enrolling and equipping and provisioning militia forces to aid in suppressing the rebellion," approved April 17, 1866, which appropriation shall be disposed of as follows: \$1,500,000 to go to interest fund proper; \$2,000,000 to be invested in United States six per cent. bonds, to be held as a reserve fund to meet any deficiency in the semi-annual payments of interest on the State bonds, and may be used for obtaining temporary loans to pay interest, but for no other purpose, or so many as are necessary may be sold to make up any deficient in the interest fund, to meet interest as it becomes due; but if any part of said bonds are sold, a like amount shall again be purchased whenever there is surplus funds belonging to the interest or sinking fund, so as to keep the reserve up to meet future emergencies. The remaining \$1,000,000 hereby appropriated shall go to the sinking fund to be used in the purchase of outstanding indebtedness of the State.

Sec. 9. Whenever there is, in the judgment of the fiscal agent, any surplus of the interest fund that will not be needed, it shall be credited to the sinking fund, and be used in the purchase of State bonds. The interest collected from the bonds belonging to the reserve fund, and all interest accruing from the principal of sinking fund, shall go to the interest or sinking fund, as the fiscal agent may find it necessary, and all moneys hereafter paid in the treasury on account of the purchase of any of the railroads sold by the State, shall go to the sinking fund.

Sec. 10. There shall be collected for the year 1867, and for every year thereafter, a special tax of $\frac{1}{2}$ of 1 per cent. on real estate and other property and effects subject to taxation, as provided for by the railroad ordinance in the constitution which shall be returned and paid over as a special tax, and, as fast as collected, shall be deposited in bank to the credit of the interest fund, and shall be used to meet the semi-annual interest as it accrues upon the bonds to be issued under this act, and any surplus to go to the sinking fund as above provided; said special tax fund shall be used for the payment of all accruing obligations of the State for the purchase of outstanding State indebtedness, but for no other purpose whatever.

CANADIAN TRADE SINCE THE ABROGATION OF THE RECIPROCITY TREATY.

The *Montreal Gazette* says that the exports from Canada instead of decreasing actually increased, the figures being: Total value of exports in 1865, \$7,512,752; do. 1866, \$8,599,080. There is a falling off in the exports "by rail," but this is more than made

up by the increased exports "by sea," and shows how we were driven to seek a new, and, we believe, more profitable—at all events a self-reliant—market for the balance of the goods thrown on our hands by the protective tariff of the United States.

In 1865, for instance, the exports from Montreal "by rail" came to a total value of \$2,977,185, and last year fell to \$1,742,042. The exports "by sea," on the other hand, only amounted to \$4,535,617 in 1865, and last year had risen in value to \$6,856,988. We sold, Montreal alone considered, one million less to the Americans, but then found extra direct sale for two millions with the British and Lower Province consumers.

We now propose to point out the items more immediately affected by the treaty, in order to show how our interests were affected by its abrogation. This will be best shown in a comparative tabular form

	1865.	1866.		1865.	1866.
Plank and boards.....	\$18,622	\$25,568	Sheep.....	\$31,638	\$1,005
Shingles.....	558	1,196	Poultry.....	17,910	32,605
Other woods.....	6,103	14,457	Butter.....	337,552	262,590
Copper ore.....	550	12,457	Cheese.....	5,693	15,256
Pig and scrap iron.....	1,812	2,068	Eggs.....	123,087	72,263
Pickled fish.....	10,768	9,320	Hides.....	4,869	2,749
Horses.....	414,588	897,467	Pork.....	6,171	57,005
Horned cattle.....	89,934	77,052	Wool.....	48,967	19,973
Swine.....	23,002	6,780			

The following recapitulation will also show where the great increases and decreases of the exports generally particularly take place :

	1865.		1866.	
	By sea.	By rail.	By sea.	By rail.
The mine.....	\$891	\$3,392	\$35,080	\$14,895
The fisheries.....	1,489	11,917	.....	9,329
The forest.....	667,798	235,733	459,447	147,606
Animals.....	1,049,838	1,122,660	1,444,949	1,945,288
Agriculture.....	1,660,083	405,527	3,370,903	345,576
Manufactures.....	25,929	66,978	297,186	126,318

These figures show an increase last year of \$46,687 in articles the produce of the mine ; a decrease of \$4,137 in fish and oil ; a decrease of \$216,465 in the produce of the forest ; an increase of \$26,789 in animals and their products ; an increase of \$1,761,218 in agricultural produce, and an increase also in manufactures of \$130,697. So far as this port, therefore, is concerned, we have no reason to complain of the abrogation of the treaty, an increase instead of a decrease being remarkably perceptible on the general result.

COMPOUND INTEREST NOTES OUTSTANDING.

Below we give a full statement of estimated outstanding compound interest notes and interest due thereon to date of maturity, read in the Senate a few days since by Mr. Sherman :

Date of issue.	Estimated outstanding.	Interest at maturity.	Date of maturity.
June 10, 1864.....	\$6,000,000	\$1,164,313 78	June 10, 1867
July 15, 1864.....	17,500,000	3,395,915 19	July 15, 1867
Aug. 15, 1864.....	39,265,000	7,619,473 42	Aug. 15, 1867
Oct. 15, 1864.....	17,400,000	3,376,409 96	Oct. 15, 1867
Dec. 15, 1864.....	19,500,000	3,784,019 78	Dec. 15, 1867
Total.....	99,665,000	19,340,722 13	
May 15, 1865.....	19,499,640	3,783,949 92	May 15, 1868
Aug. 1, 1865.....	12,500,000	2,425,653 71	Aug. 1, 1868
Sept. 1, 1865.....	6,400,000	1,241,984 71	Sept. 1, 1868
Sept. 15, 1865.....	2,000,000	388,104 59	Sept. 15, 1868
Oct. 1, 1865.....	2,000,000	8-8,104 59	Oct. 1, 1868
Oct. 16, 1865.....	1,000,000	194,062 36	Oct. 16, 1868
Total.....	\$143,064,640	\$27,761,921 95	

GOLD PRODUCTION OF NEW ZEALAND.

A London (England) paper prints the following respecting the gold produce of New Zealand:

No little misapprehension exists as to the amount of gold annually exported from New Zealand. This chiefly arises from the fact that most of the New Zealand gold reaches this country by way of Melbourne and Sydney, hence it goes to swell the total received from Australia. The Custom-house authorities here have no means of making separate returns, so that New Zealand is deprived of her fair share of fame. The government of New Zealand has supplied the following returns, clearly showing the immense wealth of the gold fields in those islands:

Years.	Ounces.	Value.	Years.	Ounces.	Value.
1857.....	10,136	£10,442	1863.....	638,450	2,431,733
1858.....	12,538	52,443	1864.....	480,171	1,857,847
1859.....	7,336	28,427	1865.....	574,574	2,226,474
1860.....	4,538	17,585	1866.....	570,808	2,206,192
1861.....	194,234	752,657			
1862.....	410,860	1,591,839	Total.....	2,894,937	£11,207,179

It will thus be seen with what enormous strides the auriferous regions of New Zealand have progressed, having in the short space of 9 years increased their yield more than 40 fold.

During the quarter ending Sept. 30, 1866, the total yield of the gold fields was 181,405 ounces, valued at £701,835, but of this large amount only 1,875 ounces were shipped direct to England, thus confirming what we have already stated as to Australia reaping the credit due to New Zealand.

COIN AND CURRENCY IN THE UNITED STATES TREASURY.

The following statement, published by the *New York Times*, showing the balance of coin and currency, and places where held, subject to draft of Treasurer of the United States, from the amount as made up to Feb. 8, 1867:

	Date of return.	Coin.	Currency.
Washington.....	Feb. 1.....	\$2,851,780	\$901,540
Boston.....	Feb. 1.....	7,988,610	1,176,611
New York.....	Feb. 1.....	75,419,508	15,209,873
Philadelphia.....	Feb. 1.....	2,332,968	663,277
St. Louis.....	Feb. 1.....	654,478	.....
San Francisco.....	Jan. 5.....	612,888	.....
New Orleans.....	Jan. 19.....	230,976	129,746
Charleston.....	Jan. 26.....	8,847	137,682
Denver City.....	Jan. 19.....	7,051	.....
Baltimore.....	Feb. 1.....	1,262,343	9,553
Buffalo.....	Feb. 1.....	26,735	15,303
Cincinnati.....	Feb. 1.....	525,176	872,866
Louisville.....	Feb. 1.....	67,183	143,799
Pittsburg.....	Feb. 1.....	19,921	86,743
Chicago.....	Feb. 1.....	.....	264,930
St. Paul.....	Feb. 1.....	19,582	12,246
Santa Fe.....	Jan. 12.....	1,750	26,649
Omaha.....	.....	10	8
Olympia.....	Nov. 30.....	775	.....
Oregon City.....	Dec. 8.....	470	112,886
Mobile.....	Jan. 19.....	82,701	.....
Little Rock.....	Jan. 19.....	.....	12,280
National Banks.....	Feb. 1.....	.....	26,845,060
Assay Office of the U. S., New York.....	.....	2,452,513	.....
Mint of the U. S., Philadelphia.....	.....	744,654	.....
" " San Francisco.....	.....	1,235,000	.....
" " Denver City.....	.....	8,100	.....
Total.....	.....	\$97,458,773	\$46,736,911
Items in suspense.....	.....	72,265	1,003,680
Balance proper.....	.....	\$97,386,508	\$45,733,231

THE LAKE SUPERIOR COPPER PRODUCT IN 1866.

The Houghton (Mich.) *Gazette* of January 24 gives the following statistics of the Portage copper mining business in 1866:

	Tons.	Lbs.		Tons.	Lbs.
Quincy Mine.....	1,880	34	Calumet Mine.....	154	56
Franklin Mine.....	1,071	1,558	Sheldon Columbian Mine.....	138	1,312
Pewabic Mine.....	895	1,307	Hecla Mine.....	30	56
Huron Mine.....	665	818	Concord Mine.....	24	1,150
Hancock Mine.....	386	12	Douglas Mine.....	13	1,217
Isle Royale Mine.....	346	51	Arcadian Mine.....	4	800
Grand Portage.....	337	930	South Pewabic Mine.....	2	1,000
Albany and Boston Mine.....	201	51			

RECAPITULATION.

	1866		1865	
	Tons.	Lbs.	Tons.	Lbs.
Quincy Mine.....	1,880	34	1,880	1,900
Franklin Mine.....	1,071	1,558	1,068	1,312
Pewabic Mine.....	875	1,301	1,133	1,424
Huron Mine.....	665	818	604	1,786
Hancock Mine.....	386	12	100	1,436
Isle Royale Mine.....	346	51	400	393
Grand Portage Mine.....	337	930	366	1,489
Albany and Boston Mine.....	201	51	163	1,745
Calumet Mine, ingot.....	154	56	..	..
Sheldon-Columbian Mine.....	138	1,312	80	1,268
Hecla Mine.....	30	56	..	..
Concord Mine.....	24	1,150	5	1,900
Douglas Mine.....	13	1,217	4	900
Arcadian Mine.....	4	800	8	500
South Pewabic Mine, ingot.....	2	1,000	..	..
Total.....	5,617	1,747	5,415	638
Increase in 1866.....			232	1,100

TAXES PAID BY BANKS.

Mr. Rollins gives the following statement of Internal Revenue taxes paid by National Banking Associations for the years 1864, 1865 and 1866:

1864—Dividend and surplus.....	\$381,780 33	
License.....	175,774 00—	\$557,554 33
1865—Dividend and surplus.....	2,307,987 81	
License.....	784,008 06—	2,941,992 81
1866—Dividend and surplus.....	2,75,192 83	
License.....	849,340 00—	2,924,537 33
Total.....		\$6,424,084 46

Mr. Spinner reports the following taxes from National Banks for the same period:

For 6 months preceding	Duty on circulation.	Duty on capital in excess of U. S. bonds.	Duty on deposits.	Total duty each term.
July 1, 1864.....	\$53,096 97	\$18,402 23	\$95,811 26	\$167,310 45
Jan. 1, 1865.....	234,843 48	87,229 40	317,142 74	589,015 62
July 1, 1865.....	496,604 11	96,109 46	769,189 49	1,363,853 06
Jan. 1, 1866.....	872,566 41	220,807 26	1,331,658 08	2,423,031 75
July 1, 1866.....	1,234,218 89	186,140 43	1,297,010 15	2,717,369 53

The duty for the six months preceding January 1, 1867, being in process of collection, the amount thereof cannot now be stated.

We estimate these taxes at three millions of dollars.

Subjoined is a recapitulation of the aggregate taxation on National Banks for three years:

On circulation.....	\$287,740	On licenses.....	175,77
On capital.....	55,361		
On deposits.....	412,954	Total taxes for 1864.....	\$1,313,880
On profits.....	381,780		

On circulation.....	\$1,371,171	On licenses.....	734,005
On capital.....	316,916	Total taxes for 1865.....	\$6,733,876
On deposits.....	2,103,797		
On profits.....	2,20,987		
On circulation.....		On licenses.....	849,345
On capital.....	the last six	Total taxes for 1866.....	\$8,641,906
On deposits.....	mos. est.....		
On profits.....	\$6,717,365		
	2,075,192		

The aggregate taxes for the three years are:

On circulation.....		On licenses.....	1,759,124
On capital.....	\$10,365,578	Total taxes for the 3 years.....	\$16,669,564
On deposits.....			
On profits.....	4,664,959		

GOLD CERTIFICATES ISSUED, REDEEMED AND OUTSTANDING.

The following is a tabular statement of the amount of gold certificates which have been issued and redeemed, with the amount outstanding:

	Total issued.	Redeemed,	Out- standing.
20s.....	\$267,020	\$165,300	\$101,720
100s.....	4,797,840	3,020,200	1,777,600
500s.....	649,000	191,500	357,500
1,000s.....	22,449,000	18,580,000	3,869,000
5,000s.....	144,685,000	126,740,000	17,945,000
10,000s.....	5,000,000	5,000,000	.....
Total.....	\$177,747,820	\$153,697,000	\$24,050,000

NEVADA TREASURE MOVEMENT FOR 1865-6.

The Gold Hill (Nevada) *News* of Dec. 10 gives the following statement of bullion shipped through Wells, Fargo & Co.'s Express for the years 1865 and 1866 from the Virginia and Gold Hill offices, showing an excess of \$2,074,174 85 for 1866 over the preceding year, for these two places alone. The amount from other places—Carson, Aurora, Austin, &c.—shipped in 1865, makes the total product for that year \$14,000,000. For the past, 1866, it stands as follows:

From Virginia City.....	\$7,807,626 18
From Gold Hill.....	7,100,263 00
From Carson City.....	341,366 80
From Reese River.....	400,567 00
From Aurora.....	171,534 00
Shipped outside of Wells, Fargo & Co.....	850,000 00
Total for 1866.....	\$16,171,351 98

Bullion shipped from Virginia and Gold Hill, Nevada, for 1865 and 1866:

	1865.			1866.		
	From Gold Hill.	From Virginia.	Totals.	From Gold Hill.	From Virginia.	Totals.
Jan.....	\$352,692 89	\$949,152 13	\$1,193,755 02	\$432,044 28	\$520,177 30	\$952,221 48
Feb.....	229,556 24	1,033,755 90	1,263,712 13	475,491 68	492,322 01	967,814 54
Mar.....	265,483 63	1,154,749 76	1,390,335 44	490,123 89	705,210 83	1,195,334 22
Apr.....	150,102 45	1,191,173 00	1,341,274 45	423,196 17	646,987 51	1,070,184 68
May.....	197,802 30	1,012,435 59	1,210,237 69	562,074 83	648,476 71	1,210,551 54
June.....	946,725 62	694,356 11	940,981 73	673,111 40	562,938 70	1,236,050 10
July.....	260,001 59	511,127 57	771,129 16	673,335 93	565,503 77	1,238,839 70
Aug.....	314,898 98	350,730 73	865,589 71	672,690 14	779,276 30	1,451,966 73
Sept.....	399,613 99	492,303 79	891,917 78	700,940 36	843,963 97	1,544,904 30
Oct.....	496,165 00	547,345 58	1,043,530 58	736,464 08	698,517 23	1,434,981 31
Nov.....	403,307 90	539,217 76	942,525 66	613,779 69	739,519 80	1,353,291 93
Dec.....	354,425 00	619,455 23	973,880 23	666,984 70	736,438 96	1,403,423 66
Total.....	3,546,397 59	9,236,822 24	12,833,719 83	7,100,368 00	7,807,626 18	14,907,894 18

The circular of Messrs. Woods & Cheeseman gives the following interesting table of the dividends and assessments of the leading mines of Nevada in the year 1866 :

Company.	Bullion Product.	Dividends.	Assess- ments.
Alpha.....			\$144,500
Bacon M. & M. Co.....			18,000
Baltimore American.....			18,000
Belcher.....			142,530
Bullion.....			175,000
Chollar-Potosi.....	\$348,750		
Confidence.....	303,930		78,000
Crown Point.....	1,313,357	\$324,000	
Daney.....			26,000
Empire M. & M. Co.....	484,778	32,400	
Exchequer.....			32,000
Gould & Curry.....	1,605,228	253,000	
Hale & Norcross.....	1,199,768	350,000	
Imperial.....	910,187	176,000	
Lady Bryan.....			15,000
Ophir.....	450,000		184,800
Overman.....	27,933		208,000
Savage.....	1,905,800	360,000	
Sierra Nevada.....			55,500
Yellow Jacket.....	2,310,000	390,000	180,000
Total.....	\$11,361,741	\$1,794,400	\$1,272,380

The total bullion brought down from the Nevada region for the year was, as given in our annual report, \$15,215,218. The balance came from mines not embraced in the table, and from those which made no report. The result is that \$1,794,400 in dividends has been paid to the stockholders of seven mines, one of which—the Yellow Jacket—in the early part of the year called for \$180,000. Thus those seven mines have given \$1,614,000 profit to their holders.

The market value of those mines have increased as follows since the tide turned with the new deep ore discoveries in February :

		Feb. 24		Jan. 12		
Mines.	No.	Price per		Price per		Dividends.
	feet.	foot.	Value.	foot.	Value.	
Crown Point.....	600	1,020	\$612,000	1,400	\$840,000	\$234,000
Empire.....	75	3,200	240,000	2,800	210,000	32,400
Gould and Curry.....	1,200	1,020	1,224,000	615	738,000	252,000
Hale and Norcross.....	400	1,030	412,000	3,600	1,400,000	350,000
Imperial.....	184	2,600	488,000	3,150	860,000	176,000
Savage.....	800	840	672,000	1,950	1,560,000	360,000
Yellow Jacket.....	1,200	400	480,000	1,380	1,566,000	390,000
Total.....	4,459		\$4,128,000		\$6,924,000	\$1,794,400
Average per foot.....			925		1,552	400

POSTAGE CHARGES TO BREMEN AND HAMBURG.

An arrangement has just been concluded with the Bremen and Hamburg Post Department, revising and reducing the rates of postage to be hereafter charged upon letters exchanged by the Bremen and Hamburg mail. The postage charges in future will be as follows, viz. : To Bremen by Bremen mail 10 cents ; by Hamburg mail, 15 cents. To Hamburg by Hamburg mail, 10 cents ; by Bremen mail, 15 cents. To Oldenburg by Bremen mail, 13 cents ; by Hamburg mail, 15 cents. To Luxemburg by Bremen mail, 15 cents ; by Hamburg mail, 18 cents. To Austria, Prussia, Bavaria, Saxony, Hanover, Wurtemberg, Baden, Luxemburg, Brunswick, Mecklenburg Schwerin and Mecklenburg Strelitz, Lubeck and Tharal. Fee taxes of the Postal Department by Bremen or Hamburg mail is 15 cents ; to Schleswig Holstein, and Denmark, by Bremen or Hamburg mail, 18 cents ; to Sweden, by Bremen or Hamburg mail, 21 cents ; to Norway by Bremen or Hamburg mail, 25 cents ; to Holland, by Bremen or Hamburg mail, 18 cents ; to Russia, by Bremen or Hamburg mail, 20 cents ; to Belgium, by Bremen or Hamburg mail, 18 cents ; to Switzerland, by Bremen or Hamburg mail, 19 cents ; to Italy, by Bremen or Hamburg mail, 24 cents ; to Turkey, by Bremen or Hamburg mail, 32 cents ; to Greece, by Bremen or Hamburg mail, 35 cents ; to Gibraltar, Spain and Portugal, by Bremen or Ham-

burg mail, 25 cents; to Australia, India and China, by Bremen or Hamburg mail, via Marseilles, 37 cents; via Trieste, 55 cents. Prepayment of postage is optional in each case, except only letters for Australia, India and China, on which the postage is required to be prepaid by stamps. Letters coming from those countries to the United States by Bremen or Hamburg mail are subject to the same postage charge and the same conditions of prepayment with the following exceptions: From Lunenburg, by Hamburg mail, the charge is 20 cents; from Schleswig-Holstein and Denmark, by Bremen and Hamburg mail, 20 cents; from Sweden, by Bremen and Hamburg mail, 25 cents; from Norway, by Bremen and Hamburg mail, 28 cents; from Russia, by Bremen and Hamburg mail, 25 cents; from Italy, by Bremen and Hamburg mail, 27 cents; from Gibraltar, Spain and Portugal, by Bremen and Hamburg mail, 30 cents; from Australia, India and China, via Trieste, by Bremen and Hamburg mail, 30 cents.

MASSACHUSETTS INTEREST LAW.

The following is the text of the new interest law which passed the Massachusetts Legislature:

SECTION 1. When there is no agreement for a different rate of interest of money, the same shall continue to be at the rate of \$6 upon \$100 for a year, and at the same rate for a greater or less sum, and for a longer or shorter time.

Seco 2. It shall be lawful to contract to pay or reserve discount at any rate, and to contract for payment and receipt of any rate of interest: Provided, however, That no greater interest than six per centum per annum shall be recovered in any action except when the agreement to pay such greater rate of interest is in writing.

Seco 3. Sections 3, 4 and 5 of Chapter 53 of the General Statutes, and all acts and parts of acts inconsistent herewith, are hereby repealed.

Seco 4. This act shall not affect any existing contract or action pending, or existing right of action, and shall take effect on the first day of July next.

DIFFUSION—A REVOLUTION IN SUGAR-MAKING.

[From the *London Produce Market Review*.]

The extraction of the maximum of saccharine matter from the cane or the beet, or other raw material, with the minimum of expense, is a problem that has for a long time occupied the attention of some of the ablest chemists. We are inclined to lay the more stress on this circumstance, as it might not without some show of reason be imagined that all researches of this nature were simply of a mercenary nature, and were dictated by no higher considerations than those growing out of the ordinary temptations to make haste and grow rich. That the element of gain is an important constituent, and a most wholesome stimulus to exertion besides, is not gainsaid; but there can be no doubt that an incentive even more powerful than this is to be found in the attractiveness of the pursuit which can bind the most distinguished savans to the pursuit of science, when the result of their researches would seem to have brought large pecuniary gain within their grasp. To go no further than our own country for an example of the elevating character of their pursuit; we suppose that the profits arising from any one of his numerous scientific discoveries would have enabled any one less disinterested than Professor Wheatstone long since to have abandoned all further researches, and to have lived at ease, had such been the ultimate object of his desires. But, fortunately for the general benefit of mankind, one discovery in science seems only to whet the mind for subsequent adventure, and to this happy law of nature we are indebted for the recent investigations on the subject of "diffusion," which have now enabled practical men to apply the principle to manufacturing purposes, and amongst others to that of sugar.

Our country is not so immediately engaged in the extraction of sugar as France and Germany, and our scientific men have not paid so much attention to the subject as the Continental *savans*. Sugar exists in certain parts of sacchariferous plants, pure and unmixed with other ingredients, but by all the processes until recently at work the saccharine juice was not extracted in its pure state, but mixed with salts and vegetable and other matters, which caused the juice to ferment rapidly, and in addition, made the sugar more difficult of manufacture. The problem, then, of sugar-making was to extract all the sugar contained in plants without the admixture of extraneous matters; and this great question, so important in its bearing on the comfort of the human race, has, so far as can yet be seen, been successfully solved by Herr Robert, of Seelowitz, in Prussian Silesia, by a happy application of the great natural law of "diffusion." Theoretically stated, the principle of "diffusion" is, according to M. Dubrunfant, an attractive force (akin to that of gravitation) developed in particles of matter at the moment of their being placed in juxtaposition. The principle appears to have been discovered, though not thoroughly carried out, by our own talented and ill-used Priestly. The allied phenomena of endosmosis and exosmosis were further investigated by Dutrochet, who found that if fluids of unequal density are separated by an animal or vegetable membrane, the denser will attract the less dense through the membrane that divides them; this property be called endosmose, when the attraction is from the outside to the inside, and exosmose when it operates from the inside to the outside of the body acted upon. By the endosmometer, an instrument for measuring the rapidity with which fluids of unequal density mix, M. Dutrochet also found that less dense fluids pass with greater rapidity into the more dense than *vice versa*. These phenomena were still further investigated by Mr. Graham, by means of his instrument, the dialyser, made by stretching parchment paper (to serve as a septum or membrane) over a gutta percha hoop, and pouring the liquid to be dialysed into the dialyser, which was then floated in a dish containing distilled water. By this instrument it was found that substances which diffuse rapidly are generally crystalline, and hence substances, according to their capability of being diffused, or the reverse, are termed crystalloids or colloids, from collin, the scientific name for gelatine, which is an uncrystallisable substance. Crystalloids, moreover, have a much greater affinity for water than colloids. Now the great value of the principle of diffusion, as applied to the extraction of sugar-juice, arises from the circumstance that sugar, being a crystalloid, will diffuse with much greater rapidity than uncrystallisable matters, which were mixed with it by the old process of extraction, and which, being colloids, diffuse very slowly, if at all.

Diffusion in the factory of Herr Robert gives the most striking results. From the beetroot, so comparatively poor in saccharine matter, 10 per cent. of actual raw sugar is extracted, and the refuse left after manufacture hardly contains the slightest chemical trace of saccharine matter—in other words, all the sugar is extracted. A well known East Indian manufacturer came to Europe some time since in order to see how the competition of the beet was to be met, and was at once struck by the suitability of diffusion for his purpose. In order fully to recognise the peculiar applicability of this principle to the manufacture of cane sugar, we must bear in mind the principal features in the structure and organization of

the plant. A horizontal section of a portion of the sugar cane, which has arrived at the period of its maturity, placed under the microscope, presents the following appearance: "Its internal structure consists of a series of cells, generally hexagonal in shape, which touch each other in every direction. They are formed by a thin delicate tissue, which encloses them—not laterally merely, but both above and below, so that each is perfectly closed and separate from those adjoining. No communication, by pores or otherwise, can be discovered between them when examined under the highest power. This structure is called the cellular structure; interspersed through it are a number of vessels, running in groups of two, three or four, each of which is enclosed in a sheath of woody fibre; surrounding the whole stem is the cortex or bark, covered by its coating of silica."—(Dr. Evans on the Sugar Cane.) The cells and the vessels are quite distinct in their contents and in their functions; the former contain saccharine matter only, while the latter contain the sap, salts, and other matters necessary for the aliment of the plant. By some action of nature, which we are unable to detect, but which is, to a certain extent, reproduced in the novel principle of diffusion, a transposition—in a modified and partial form, it is true—of these two liquids is constantly going on. "During life," says Dr. Evans, in the work quoted above, "there appears to be going on a constant exchange of principles between the contents of the cells and those of the vessels, by means of endosmose and exosmose. The cells absorb a portion of the water contained in the sap vessels, by which the crystallisation of their saccharine contents is prevented; and they in return give to the sap a certain amount of their sugar, which increases its richness and nourishing properties." The novel method of extracting the sugar juice by the process of diffusion is, therefore, only an imitation by chemical means of the lesson taught by nature, the main object being to extract the saccharine matter, freed, as far as possible, from any admixture of alien ingredients. The principle is at once apparent, for it is nothing more than the absorption of the crystallisable bodies to the exclusion of other matters. It is true that certain other crystallisable matters contained in the cane are diffused as well as the sugars, but they are also extracted by the present processes, and they are easily eliminated in manufacture, and after all only form, according to Dr. Leery, 29 per cent. of the weight of the cane, while the sugar forms 18.36. It was the uncrystallisable matter which caused the fermentation and acidity, and worked so much mischief by the old process of extraction, and this would be left in the refuse by diffusion.

The principle of diffusion is thus applied to the sugar cane. The fresh cane is cut into thin slices, and a certain portion is put into closed iron vessels, called extractors, of which there are six arranged in what is called a battery. Into the first of these, No. 1, pure water, slightly warmed, is admitted by means of a stopcock from a cistern placed at some height above the "extractors." The liquid is allowed to rest half an hour, and then passed on to the next extractor, and so on to the last, from which it is passed on to the factory. It is found that when pure water is applied in the first vessel the quantity of saccharine matter extracted from the cane is small, but when passed into the next the proportion becomes larger, and so on till it reaches the last, where all the sugar is extracted at the first operation. This fully bears out M. Dutrochet's statement that a less dense liquid will pass more rapidly into a more dense liquid than *vice versa*.

The specification of the patent is numbered 594, 27th February, 1866, and is taken out by Mr. William Edward Gedge for Mr. Frederick James Vivian Minchin, of Aska, Madras Presidency, India. The well-known excellence of the Aska sugar, made on the old plan, is a sufficient guarantee that the invention has found favor in thoroughly practical eyes, and we believe by the time of the great Paris Exhibition of this year that it will have been fully tested; and that samples of the sugars made by this beautifully simple process will be shown. We confess that we entertain sanguine hopes of the success of diffusion, as applied to the sugar cane from the experimental trials already made; but of course until the invention has been thoroughly tried its commercial results remain open to question. The process of diffusion claims a distinct superiority over all other processes, in its capacity for extracting a much larger amount of juice than has heretofore been obtained by ordinary pressure. It is confidently asserted that at least as much as 15 per cent. of saccharine matter can be obtained. In the next place, the expenses attending the extraction of the juice are about 50 per cent. less; and the cost of the machinery is about 40 per cent. less; thirdly, the machinery is comparatively simple and inexpensive in its management; and finally, "the process excels not only in its simplicity and regularity, but the juice can be delivered to the factory diluted with but 15 per cent. of water." Diffusion is also said to be peculiarly applicable to the extraction of sugar from the sorghum and the maize.

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THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

APRIL, 1867.

POLITICAL ECONOMY—CAPITAL AND VALUE.

BY RICHARD SULLY.

Political economy seems hitherto to have been treated rather as an abstract science, than one that ought to be considered and studied, as the basis and guide of the statesman, in his most important function of securing the prosperity and happiness of the people. This negligence may be attributed no doubt, to a variety of causes. The science itself has been greatly incumbered by unnecessary details, which, in some instances, has led the author into serious contradictions, with respect to the principles which govern the science; while, in other cases, these principles have neither been sufficiently comprehended, nor defined with sufficient accuracy. The term *capital*, though designating so important an element of political economy, lacks a proper and correct definition.

It does not appear to require a very extraordinary amount of wisdom or discernment, after a man has attained to sufficient gravity of mind to think for himself, that the first requisite for his commencement in business of any kind is capital; because, without it, he cannot proceed a single step. And yet the nature of capital, and its importance seems neither to have been clearly apprehended, nor pointed out, by any of the standard writers upon the subject in question.

Dr. Adam Smith seems to have taken exactly opposite grounds to the French economists, though they were much nearer the truth than he sup.

posed. He excluded land *entirely* from his category of capital, and gave to labor the greatest importance in the production of wealth or value. If the economists had assumed that the land and its products necessarily limited the supply of capital, instead of comprehending its amount, they would have been correct.

M. Say admits the concurrence of natural agents in the production of value, but does not perceive that the available quantity of these natural agents must necessarily limit the supply of capital as well as, finally, the creation of value. In fact that the whole fabric of wealth, must be upheld and kept in existence by the products of these natural agents; and if the supply be cut off or limited at any given point, either by the exhaustion of the soil, or the successful competition of other consumers, a further increase of capital at that particular point, or even of value, becomes impossible.

The error of the economists consisted in the assumption that the landowner still retained a monopoly of capital after the division of labor had commenced; the error of Adam Smith and the more modern political economists lies in the assumption that land is not capital.

Previous to its appropriation, land would, of course, have no value, and might, under those circumstances, be considered like air or water, as practically unlimited. But after it had become the property of individuals, it would necessarily, by the division of labor and the increase of population, become valuable, and therefore ought to be considered capital. To say that land varies in productiveness with a given amount of labor, from the force of unequal fertility, is only to say that some land is more valuable than other land, and admits of the payment of what political economists call rent; but this can be no valid objection to its being ranked as capital, as it also varies in the amount of rent (net product) according to its proximity or distance from market. It also constantly increases in exchangeable value, by the accumulation of other capital, and the increasing necessity for its products, without a corresponding increase in its utility. It appears, therefore, to be a mere groundless assumption that the poorest soil in cultivation pays no rent beyond the interest of the capital invested in the fences and buildings necessary to its occupation. If there is ever so small an advantage in its cultivation, the powers of the soil will surely be remunerated to the owner. Land is, therefore, not only capital, but it has superior advantageous to any other kind of capital, and consequently ought to bear its fair share of taxation according to its value for the support of the government, but not to the extent of preventing cultivation. We should define capital, therefore, not exactly in the words of McCulloch. "as those portions of the produce of industry existing," etc., but as those portions of wealth "which may be directly employed, either to support human beings or to facilitate production." In the word wealth, therefore, we must include the fertility of the soil, as no amount of the accumulated products of labor could possibly produce a single grain of corn or other vegetable production without it.

Having decided what we consider to be capital, we will, for a moment, return to the economists, merely to point out the rock upon which they split. If they (the economists) had closely observed the operations of society, they must have detected the fact that the division of labor had originated a new kind of capital, which we designate skill, and which

would enable its possessor to accumulate the products of industry, which, in their turn, would become capital, and therefore yield a revenue. Laying the whole burden of taxation upon the land would not have prevented this aggregation of circulating capital, though it might have prevented the increase of agricultural capital as well as population, unless a free importation of agricultural products had at the same time been allowed, which would speedily have ruined the home producer. There is no doubt, however, that taxes ought to be as few and simple as possible.

To prove the assumption that land is neither wealth nor capital, political economists generally have denied that it has any value, merely because it is one of the elements of nature, and has not been produced by the labor of man. Say considers utility to be the chief element of value. He says—"to create objects which have any kind of utility is to create wealth; for the utility of things is the groundwork of their value, and their value constitutes wealth." Yet, like Smith and others, he excludes land both from wealth and capital, but is forced to acknowledge its agency in production. McCulloch also, notwithstanding he finds fault with Adam Smith for writing the following passage—"that no equal quantity of productive labor or capital employed in manufactures can ever occasion so great a reproduction as if employed in agriculture"—is himself forced to admit "that nature powerfully assists the labor of man in agriculture;" but this he afterwards endeavors to neutralize by assuming that we are not less indebted to nature in every department of industry—referring to the use we make of the wind, the water, the pressure of the atmosphere, steam, etc.—and then asks if they are not all the spontaneous gifts of nature? Just as if these elements, or natural forces, could, like the land, be limited to the use, or become the property of individuals. Though the vegetable and the animal kingdom, as well as the elements of nature, were gratuitous to man, and were really, while he was in a savage state, previous to the institution of property, his common possession, yet they never lacked utility, one of the elements of value, and only required to be limited in use, by becoming the property of individuals, to give them the other element, which may be appropriately termed, "difficulty of attainment."

Most political economists who have assumed that labor is the measure of all values, have been considerably puzzled to make it fit under all circumstances. For instance, Dr. Smith says: "But though labor be the real measure of the exchangeable value of all commodities, it is not that by which their value is commonly estimated. It is often difficult to ascertain the proportion between two different kinds of labor," etc. This is quite true with respect to the difficulty of measuring the value of different commodities, merely by the amount of labor represented, as this must be in many cases extremely uncertain, and, in some, have little bearing upon the matter. The real difficulty appears to be, that neither the term nor the principle of labor on the one hand, nor the principle of utility on the other, are sufficiently comprehensive to express concisely the compound principle of value. This will be much better done by substituting the terms desirability and difficulty of attainment. These terms seem sufficiently comprehensive to include the whole of the phenomena which tend to make up this difficult problem. They include all the circumstances of supply and demand, the operations of scarcity and gluts, the lucky inci-

dent of finding a precious stone, or a nugget of gold, etc. And though each of these principles must be present to form every item of value, it is not to be expected that they always act uniformly or equal; sometimes the influence of one may predominate, and sometimes that of the other. It should seem that desirability (utility) is the more constant quality, while labor, or difficulty of attainment, is the more variable. We therefore consider the definition of the principle of value by Dr. Smith, as well as all the other political economists we have ever seen, to be defective and incomplete. But we agree with Dr. Smith that agriculture is a more important and productive employment than manufactures, in as much as it is the foundation upon which all manufactures must be built, and sustains all other employments, whether productive or unproductive. The economists were right, therefore, when they assumed that land and its natural productions were capital, but they were wrong when they assumed that it was the only capital of a community. And yet circulating or accumulated capital must always be limited by the extent and power of the soil; that is, assuming that we are enclosed within a given circle, either by a real or artificial wall of non-intercourse. On the other hand, if the freest intercourse with other nations be allowed, it will finally be limited in amount by the agricultural productions, which can be obtained by a direct competition with the manufacturing labor of other countries.

According to this view—if capital be a fixed quantity, it follows that when the ultimate is reached, the maximum of profits and population will also be reached, and if wealth should afterwards accumulate in the hands of the rich, that is, that part of it which consists of articles of luxury and convenience, which cannot be applied to reproduction, it will be at the expense of the further degradation of the people. These conclusions apply more especially to old and populous countries, nevertheless, they are not without significance to every large and populous city. The great difficulty at present between the capitalist and the laborer, is upon the division of profits; or rather, the remuneration of labor. This division may appear arbitrary and unequal, but it is not therefore unjust; because it must be the necessary consequence of the relative economical condition of the working classes in other countries; and therefore cannot be altered without reference to wages elsewhere, except with great danger to the welfare of the community acting in so absurd and arbitrary a manner. If the masses of the people were intelligent and moral, there need be no violent altercation with the capitalist to obtain their fair share of profit. But under the present circumstances of intense competition, it is neither for the interest of the laborer nor the capitalist to give too much to consumption; as in case of *very low* profits, whatever might happen to the community, there might be nothing to fall back upon to relieve a public calamity; and a community so situated would not easily recover its former opulence and prosperity.

If we could be made to understand that the laws which govern the moral are equally immutable, with those that govern the physical, there might be some hope for bettering the condition of the people; but as long as they depend either upon arbitrary regulations, enforced by themselves, or upon protectionist schemes enacted by governments, so long will crime, pauperism and misery abound in all large communities.

To illustrate the truth of these propositions we might refer to many of

the nations of Europe, which have been for centuries subject to what is termed *the protective system*, and whose populations have increased at the slowest possible rate, owing, no doubt, to the constant oscillations in the demand for labor, caused by the inequality of the seasons operating under the influence of such a contracted commercial system, which necessarily confines the community, as nearly as possible, to the products of their own soil.

The statesmen of England appear to have been the first to perceive the great inconvenience of this narrow and uneconomical system, and twenty-five years ago took steps for its gradual abolition. England has since steadily increased both in wealth and population. Her friends philanthropists, however, seem to be doing their utmost to neutralize, or destroy, the effects of these beneficent measures. Great Britain at present, no doubt, stands in a rather dangerous or critical position; importing, as she does, at least one-third of her consumption, and consequently her foreign trade must be an important element in her prosperity. The encouragement given to *trades unions*, co-operative societies and reform agitation, must therefore be injurious to that open, healthy competition which it must be her interest to continue to wage in self defence. Trades-unions, co-operative societies, &c., can be only lame and temporary expedients for any evils that may affect the working class; and in the end may undermine the power and prosperity of the nation. It is idle to suppose that the operative classes of England have any very superior advantages, except, perhaps, in one or two instances over those of the Continent of Europe. And should England exhaust her supplies of coal or iron, or should the expense of obtaining them become much enhanced; or should she by any means lose her present comparatively cheap labor, her power and population would certainly decline.

If the protective system be unnatural and injurious, when applied to the trade and commerce of a nation, it will surely be found to be so when applied to enhance the individual interests of the labor.

Trades-unions necessarily tend to equalize the rate of wages of good and bad workmen, and to enforce the employment of all the idle and inferior hands who may happen to belong to the *union*; while they demand wages which the profits of capital cannot legitimately afford. These and other evils will no doubt follow a persistence in such a course of action. But to return to our subject.

Coal and timber notwithstanding they have been excluded from the category of capital by all standard writers, are absolutely necessary, at least, one of them, to the very existence of a nation; and why they should not be considered capital, is hard to understand.

If a nation happens to possess an inexhaustible supply of coal and other minerals, a deficiency of timber, may, perhaps, be supplied without much inconvenience; but if coal be deficient, she will be pretty certain to attain to the maximum of population, when that part of her soil is cultivated which is not reserved in forests, for the necessary supply of timber. Her foreign trade will hardly extend beyond what is necessary to supply the raw material for her manufactures, which she cannot produce at home. A country thus situated, however, when she had once attained to the maximum of her wealth and population, would be much more likely to retain her position among nations, than one otherwise situated.

Thus seeing the importance of these natural products, to the wealth and population of nations, we cannot but decide that they are capital; and to say that they are destitute of *value*, merely because they were not produced by the labor of man, is simply absurd. Both coal and timber are capable of appropriation and we accordingly find them appropriated; and, therefore, practically limited in quantity, which is one of the admitted elements of value.

From these premises it follows as a sequence, that all the products of nature which can be appropriated, are capital; and that the number of population, and all the moveable, or circulating capital, necessary for their maintenance upon any given spot, will depend upon the amount of this natural capital, which can, directly, or indirectly, be laid under contribution for their use and benefit. It is these natural agents which makes labor profitable.

There is no doubt that the division of labor has increased the amount of capital in existence, by rendering it possible for each individual to pursue a single calling. It necessarily produced skill, machinery, and a continued extension of cultivation.

This process would continue just as long as there remained soil to cultivate, sufficiently fertile to repay the expense, including the fee for the landlords rent, and the smallest modicum of profit upon the circulating capital invested. This point once reached, a further increase of capital would become impossible. Certain kinds of wealth and luxuries, might increase, but not capital, plate, carpets, carriages and sumptuous apparel, &c. This might, however, flow from two sources, either from improved methods, or from the degradation of labor. If proof be required of the truth of these doctrines, it may be found in every day experience, in the relative increased price of food, raw materials, fuel, and house rent.

In common parlance gold and silver are designated capital, but this is only a popular error. They are only valuable commodities, which are used to represent capital as a *circulating medium*. We might pile them up mountains high, without adding a fraction to the capital of the community; and yet a certain portion is useful, and absolutely necessary. Any given amount, sufficient to move things from hand to hand, and increasing in the same ratio as other commodities, is *all* that may be designated *capital*, any addition beyond *this*, is mere waste and loss. Money by facilitating the exchange of commodities saves labor, and makes the division of labor possible, so far, *it is productive*, and therefore capital; but any increase after that, beyond the amount necessary, to keep prices stationary, makes no addition to value, or even to utility. And yet, we go on, from year to year, increasing our gold production; and taxing the people to the full amount of that production, while many believe, that we receive *value* for all that we export, an assumption without the shadow of foundation in fact.

THE ERA OF EXTRAVAGANCE.

Time was when Americans could justly boast of the economy of their government. At an annual cost of \$77,000,000, or 2½ dollars *per capita*, thirty-two millions of population were governed more beneficently than the people of any other country. The achievement was one at which European publicists wondered; and, as the event has proved, one which we ourselves did not half appreciate. Our people were prosperous and self-reliant; their political traditions had taught them to expect little from governments, to look with jealousy upon all central agencies, and to trust rather to individual and local effort than to the national government for the achievement of important enterprises. The same rule applied to the State organizations as to the federal; and thus the province of government being confined within narrow limits, it cost us little to be governed.

It is unnecessary to remark how completely within six or seven years, all this has been changed. The creation of a great military power appears to have produced the singular result of inducing the people to repose in official hands that power which formerly was confided to themselves alone. In the eyes of the public, the government appears to be invested almost with the attributes of a deity, capable not only of protecting them against a public enemy, but possessed of a wisdom far above their own and to be entrusted with the regulation of affairs which, heretofore, had been considered beyond its province.

Of course, opinions will vary as to the wholesomeness of this new tendency in our national politics. Upon the question of its economy there can, however, be no second opinion. In proportion as we increase the functions of the Government we extend its agencies, and extending its agencies we enlarge its expenditures; and when the rule is made to apply to the State Governments, as well as the Federal, it is apparent that this tendency must involve a large increase of taxation. The war has involved us in a Federal debt of \$2,600,000,000, which alone requires an additional yearly payment of \$130,000,000. This, it might have been supposed, would have supplied a standing argument in favor of the most stringent curtailment of expenditures; but our legislators appear to have concluded otherwise. They are surprised at the facility with which the revenue is raised, and hence conclude that there is no great necessity for economy. It was not to be expected that, immediately on the close of the war, we should witness a return to the ordinary scale of expenditures; yet it is not easily seen how, with a strict regard for public retrenchment, the expenditures, exclusive of payments on account of the public debt, should have been more than six times the amount of those for the year 1860. Such, however, is the fact, as will appear from the following comparison of the actual payments for 1860 and 1866:

	1860.	1866.	Increase.
Civil service.....	\$6,148,655	\$12,287,898	\$6,139,243
Foreign intercourse.....	1,163,207	1,338,388	175,181
Miscellaneous.....	20,658,007	27,430,744	6,772,737
Department of Interior.....	2,955,686	18,852,416	14,896,730
War Department.....	16,404,767	294,449,701	268,044,934
Navy Department.....	11,512,160	45,234,118	31,512,958
Total.....	\$50,818,473	\$387,688,195	\$327,869,722

It surely cannot be deemed unreasonable to expect that for the current fiscal year, we should have something like an approximation to the scale of expenditures which obtained before the war; excepting in those items of expense which must be regarded as inevitable results of the war. Yet we find the report of the Secretary of the Treasury gives for the six heads of expenditure above enumerated, an aggregate of \$216,569,398 as the estimated disbursements for 1867, or \$156,710,926 more than in 1860. It is true that of this amount \$64,000,000 is apportioned for the payment of bounties; but it is also true that it is through appropriations of this very character, based upon no real claim on the Government, and really in the nature of a political gratuity, that the public expenditures are being so enormously increased.

Nor is this extravagance in appropriations peculiar alone to Congress. The State legislatures show a like recklessness of expenditures. Here also the immense sums raised in support of the war have demoralized every idea of economy, and large sums of money are voted with spendthrift heedlessness. It may be safely estimated that the States, exclusive of the Southern States, have increased their debts during the war nearly \$300,000,000, while the city, town and county debts have been increased to a still larger extent, the consequent local taxation being most injurious to the interests of property holders. Yet, in spite of this immense accumulation of debt, we find our State and city governments proposing undertakings which will still further augment their obligations. In our own Legislature it is gravely proposed to increase the canal debt of the State \$10,000,000, and in the Senate a bill has actually been passed to a third reading, and that almost unanimously, granting aid to the extent of \$5,000 per mile to any road in the State that shall construct and complete twenty miles of road during the year; the Legislature of Maine has just passed an act which authorizes any town to take stock in any railroad in the State; and these are but chance specimens of the prevailing recklessness of legislation respecting the increase of corporate obligations.

The last five years have been a period of unequalled extravagance in the management of private associations. In 1864 about five hundred new companies were started in this city alone, and in many instances for objects purely chimerical. Philadelphia, Boston, and other large cities also had their mania for new enterprises. In too many cases the object of the organization of these companies had been gained when the promoters had disposed of a certain amount of stock or had secured pay for a few acres of land at fabulous prices, and now the certificates issued by the million are little better than so much waste paper. Nor have our railroads generally shown a very conservative regard for their debts. Some have undertaken great works of construction in a period of inflation, and have consequently had to issue stocks or bonds to double the amount that would have been required in ordinary times.

We think it is high time that some check were imposed upon this recklessness in accumulating debts? A large portion of our federal, state and local war debts were contracted in a currency worth 50 to 60 cents on the dollar, and most of them will have to be liquidated in gold or its equivalent. So far as respects debts contracted for war purposes

this was an inevitable misfortune. But in the case of enterprises undertaken now, or appropriations made for unnecessary objects no excuse can be given. Unless we are prepared to be stigmatised as a nation of bankrupts we must suspend this accumulation of debts, and by a system of rigid economy in every branch of expenditure prepare for the day of liquidation.

Our public men and the press have, of late years, so dwelt upon the idea of our exhaustless resources, it has really become a popular belief that there is no limit to our paying powers. The apparent ease with which revenue has been raised the last two years has helped to confirm this belief. That we have the ability to meet all our outstanding obligations, and that they will be faithfully met, none can or wish to deny. It is not the possibility of repudiation that we fear; it is rather the knowledge that we shall make full payment, but in doing so shall be compelled to endure a system of taxation which will paralyze our energies and cripple our industries, unless we check this universal spirit of extravagance. Even now the country is laboring under its burdens of taxation; every interest is becoming restive under its portion of the load, and endeavoring to shift it upon other shoulders. Shall this be increased, or will those in power realize our true condition, and cease giving away the public money and lending the public faith for private enterprises?

TRADE OF GREAT BRITAIN AND THE UNITED STATES FOR THE YEAR 1866.

COTTON, BREADSTUFFS, TOBACCO, ETC.

After a period of more than usual delay, we have at length received the trade returns of Great Britain for the past year. In many respects, they are of more than ordinary interest, while they indicate the existence of a larger trade than has heretofore been carried on by any one country since international trade became the active pursuit of men. Much of this increase is due to the fact that previously to the failure of Overend, Gurney & Co., in May last, unusual facilities for obtaining advances were given the British merchants. The late crisis, however, has reduced the number of banking, financial and discount establishments in Great Britain, and many commercial houses find greater difficulty in raising money, hence, this class of traders—one, indeed, which is very numerous—is compelled to act with much more circumspection, and we anticipated, therefore, that the trade of this year will fall somewhat below that of 1866. Still it must be observed that our high tariffs, and constant changes in our tariff regulations, afford British merchants abundant opportunity for competing to great advantage with our own manufacturers, a circumstance, in our age of keen and active competition like the present, likely to be quickly embraced by our rivals in commerce. It would, therefore, not surprise us if, after all, the British Board of Trade returns for the present year, show a result not much below last year, while, as regards the profits attached to it, the comparison would undoubtedly favour 1867.

The declared value of the exports of British and Irish produce and manufactures from Great Britain and Ireland last year amounted to £188,827,785; against £165,835,725 in 1865, and £160,449,053 in 1864. There is, therefore, an increase last year of about £23,000,000 as compared with 1865, and of about £28,400,000 as compared with 1864. In the exports to the United States there is an increase of about £7,200,000; to Egypt, £1,600,000; to China, £1,600,000; to Brazil, £1,600,000; to the Argentine Confederation, £800,000, while to all foreign countries the exports show an increase of £17,000,000. To the East Indies there is an increase of £1,700,000; but as regards Australia, the increase is confined to £350,000. As bearing more particularly on this country, it must be noticed that the exports of the above mentioned articles to Canada in 1866 were valued at £6,830,040, against £4,707,728 in 1865, being an increase of £2,100,000, a circumstance to be ascribed, in a great measure, to the abrogation of the Reciprocity Treaty. The following statement shows the declared value of the exports of British and Irish produce and manufactures to all quarters in each month last year, and in 1865 and 1864:

	1864. £	1865. £	1866. £		1864. £	1865. £	1866. £
Jan.....	10,413,586	10,480,339	14,354,749	Aug.....	16,374,369	14,158,648	17,450,156
Feb.....	12,698,121	11,876,214	15,116,068	Sept.....	14,687,942	17,316,681	16,671,078
Mar.....	18,555,674	18,770,154	17,520,364	Oct.....	12,871,491	15,547,225	16,595,894
April.....	18,225,089	12,071,111	15,868,414	Nov.....	12,065,313	15,567,742	15,080,430
May.....	14,176,640	18,194,758	15,870,181	Dec.....	12,065,487	15,030,068	14,914,568
June.....	13,978,526	18,227,062	14,630,120				
July.....	14,394,364	14,118,410	14,967,884	Total ...	160,449,053	165,835,725	188,827,785

Of these, the shipments to this country for the twelve months were as under:

	1864.	1865.	1866.
To Atlantic ports, Northern.....	£15,711,127	£20,339,299	£26,261,074
Southern	87,876	890,214	1,421,420
Pacific ports	909,502	498,443	801,652
Total	£16,708,505	£21,227,956	£28,484,146

—of which the following are the leading particulars :

DECLARED VALUE OF EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES
TO THE UNITED STATES IN 1864, 1865 AND 1866.

	1864.	1865.	1866.
Alkali.....	£384,350	£498,997	£294,454
Beer and ale.....	43,411	55,594	80,045
Coals.....	139,470	118,430	83,901
COTTON MANUFACTURES—			
Piece goods.....	1,678,440	3,011,839	3,192,446
Thread.....	214,050	202,377	356,082
Earthenware and porcelain.....	398,838	452,453	795,685
Haberdashery and millinery.....	761,778	937,912	1,120,414
HARDWARES AND CUTLERY—			
Knives, forks, &c.....	116,247	179,956	812,563
Anvils, vices, &c.....	90,806	96,861	109,531
Manufactures of German silver, &c.....	265,879	362,194	731,624
LINEN MANUFACTURES—			
Piece goods.....	2,481,009	3,635,362	4,172,969
Thread.....	187,460	149,460	230,220
METALS—			
Iron—Pig, &c.....	2'5,439	231,648	315,415
Bar, &c.....	731,805	263,257	571,747
Railroad.....	831,962	426,799	865,182
Castings.....	16,544	5,608	19,565
Hoops, sheets and boiler plates.....	222,175	119,567	242,638
Wrought.....	268,371	165,478	227,779

	1864.	1865.	1866.
Steel—Unwrought.....	496,344	366,683	693,013
Copper, wrought.....	16,495	42,390	43,896
Lead, pig.....	251,809	167,439	175,164
Tin plates.....	658,318	975,406	1,434,531
Oilseed.....	45,439	72,038	397,407
Salt.....	36,619	70,373	106,613
SILK MANUFACTURES—			
Broad piece goods.....	74,095	73,597	127,866
Handkerchiefs, scarfs, &c.....	17,370	3,486	8,409
Ribbons of silk only.....	23,508	40,915	35,033
Other articles of silk only.....	75,831	130,311	99,755
Other articles mixed with other materials.....	30,093	44,478	85,719
Spirits, British.....	11,239	16,741	18,656
Wool.....	16,800	31,410	13,700
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds.....	709,765	573,093	940,485
Carpets and druggets.....	370,442	365,841	789,100
Shawls, rugs, &c.....	61,395	36,265	47,684
Worsted stuffs of wool, and of wool mixed with other material.....	2,068,108	3,785,223	3,578,219

COTTON.

The return showing the importation of cotton into Great Britain is important, as indicating a very large increase in the extent of the supplies received from United States ports, the total being 4,643,370 cwts., against 1,212,700 cwts. in 1865, and 126,322 cwts. in 1864. Brazil is making steady progress in the production of cotton, and should the present rate of increase continue, an import of about 800,000 cwts. into the United Kingdom may be anticipated during the current year. Egypt, as we had been led to expect, shows a falling off, the natural result of her short crop last season. From the East Indies, last year, Great Britain received a very large supply, viz., nearly 5,500,000 cwts., being the largest importation from that country in any period. The particulars of imports are subjoined :

IMPORTS OF COTTON INTO GREAT BRITAIN IN 1864, 1865 AND 1866.

	1864. cwts.	1865. cwts.	1866. cwts.
From United States.....	126,322	1,212,790	4,043,370
Bahamas and Bermudas.....	376,047	158,607	7,515
Mexico.....	2,8,037	337,365	3,145
Brazil.....	339,442	494,071	611,808
Turkey.....	169,234	223,133	92,926
Egypt.....	1,120,479	1,578,912	1,065,900
British India.....	4,532,564	3,981,675	5,493,770
China.....	769,359	320,141	52,120
Other countries.....	324,539	434,655	393,349
Total.....	7,975,985	8,781,249	12,296,803

The computed real value of the cotton imported in the eleven months was :—

	1864.	1865.	1866.
From United States.....	£1,630,839	4,128,462	32,129,122
Bahamas and Bermudas.....	4,304,186	1,379,738	48,923
Mexico.....	2,576,866	2,771,744	23,591
Brazil.....	3,748,336	3,819,500	4,471,963
Turkey.....	1,585,493	993,403	518,021
Egypt.....	11,676,539	11,243,769	7,288,538
British India.....	33,357,400	20,743,176	24,000,239
China.....	5,698,849	1,569,353	196,869
Other countries.....	3,422,377	3,166,448	1,966,123
Total.....	66,991,418	49,294,092	70,665,438

Although the export demand for cotton at Liverpool has recently

fallen off to a very important extent, while during the closing months of last year, the business doing for shipment to the Continent was comparatively small, the total export of cotton from Great Britain last year was 700,000 cwts. in excess of 1865, and about 1,280,000 cwts. greater than in 1864. The particulars of exports are as under :

EXPORTS OF COTTON FROM GREAT BRITAIN IN 1864, 1865 AND 1866.

	1864.	1865.	1866.
To Russia.....cwts	222,446	276,238	380,374
Prussia.....	15,310	60,067	81,196
Hanover.....	50,697	15,111	5,618
Hanse Towns.....	512,781	714,600	866,349
Holland.....	47,291	431,172	544,700
Other Countries.....	969,317	1,307,386	1,594,551
Total.....	2,184,842	2,704,544	3,472,789

BREADSTUFFS.

This country makes a very poor figure in the import return of wheat and flour ; but, on the other hand, Russia, in the southern portion of which country the crop of wheat is superior in quantity to any other part of the globe, shows an increase of about 800,000 cwts. In the importation from France there is an augmentation of 1,220,000 cwts., a fact to be accounted for by the large importation during the past nine months of the year. France, however, is still an exporter of wheat and flour, notwithstanding the many reports in circulation that her crop was so greatly deficient. In December, for instance, the import of wheat and flour was 378,000 cwts., against 1,271,000 cwts. in 1865, and although the decline is considerable, it is sufficient to show that France has still an available supply for export, and that, after making allowance for the fact that a portion of these importations is Black Sea produce, re-exported from French ports, she is by no means reduced to the necessity of buying largely in foreign markets. The imports of breadstuffs stand thus :

IMPORTS OF BREADSTUFFS INTO GREAT BRITAIN IN 1864, 1865 AND 1866.

WHEAT.

	1864.	1865.	1866.
From Russia.....cwts	5,119,234	8,093,879	8,987,199
Denmark.....	729,238	641,273	506,286
Prussia.....	4,935,328	5,403,914	4,401,409
Schleswig, Holstein, & Lauenburg.....	272,296	254,159	187,938
Mecklenburg.....	669,701	647,685	738,571
Hanse Towns.....	494,407	436,069	878,912
France.....	587,105	2,252,573	3,473,180
Turkey, Wallachia, and Moldavia.....	473,127	574,185	528,483
Egypt.....	366,863	10,063	83,581
United States.....	7,895,015	1,177,613	686,239
British North America.....	1,225,513	306,765	8,759
Other Countries.....	423,681	1,114,430	2,831,643
Total.....	23,196,713	20,962,963	23,156,390
Indian corn.....	6,285,988	7,096,033	14,322,863

FLOUR.

	1864.	1865.	1866.
From Hanse Towns.....cwts	830,770	247,796	347,012
France.....	1,812,654	3,644,823	3,640,320
United States.....	1,747,833	256,769	290,732
British North America.....	488,099	177,353	40,650
Other Countries.....	136,735	177,730	663,506
Total.....	4,512,891	3,904,471	4,972,220

TOBACCO.

The imports, consumption and exports of tobacco in the twelve months were as follows :

IMPORT.			
	1864.	1865.	1866.
Stemmed.....lbs.	10,840,822	20,741,409	19,778,433
Unstemmed	50,201,846	45,243,454	34,596,367
Manufactured and snuff.....	6,573,705	2,660,683	3,171,906

QUANTITIES ENTERED FOR CONSUMPTION.

Stemmed.....lbs.	12,929,668	12,190,619	14,178,618
Unstemmed.....	24,514,674	26,165,576	25,931,968
Manufactured and snuff.....	764,246	12,190,629	851,575

EXPORTS.

Stemmed.....lbs.	789,760	894,533	533,214
Unstemmed	13,089,806	16,077,976	17,975,795
Manufactured and snuff.....	3,448,473	1,547,548	2,065,152

SHIPPING.

The following figures relate to the shipping trade, so far as this country and Great Britain are concerned :

AMERICAN VESSELS ENTERED AND CLEARED AT BRITISH PORTS IN TWELVE MONTHS.

	Entered		Cleared	
	Number.	Tonnage.	Number.	Tonnage.
1864.....	429	457,273	434	458,990
1865.....	343	362,760	294	397,017
1866.....	408	431,108	507	513,614

VESSELS OF ALL NATIONALITIES ENTERED AND CLEARED AT BRITISH PORTS FROM AND TO UNITED STATES PORTS IN 1864, 1865 AND 1866.

	Entered		Cleared	
	Number.	Tonnage.	Number.	Tonnage.
1864.....	1,098	994,707	1,069	1,124,441
1865.....	671	728,399	1,048	1,141,061
1866.....	1,517	1,894,179	1,437	1,512,998

COURSE OF PRICES.

The course of prices during late months has not been what would be very generally supposed, from the dulness of trade and the necessities under which many holders of products have been placed. Throughout the interior there has been a protracted stringency in the money market, and at this port a curtailment of the usual facilities for credit, so that, as a rule, stocks of merchandise and produce have been carried with difficulty. The state of the politics and of the trade of the country has produced a very marked caution among lenders, which, in connection with a chronic expectation of lower prices, has naturally caused merchants to realize upon their goods as early as possible, a course which has produced a settled weakness in the market.

On the other hand, there has been a very general curtailment of consumption, especially of those products least essential to subsistence and comfort. The pressure of taxation, the depression of trade, and the ex-

haustion of means following the extravagant expenditures growing out of the prevailing inflation, have necessitated among all classes a diminution of expenses, which it might be expected would produce a perceptible decline in values. The general result, however, does not wholly correspond with expectations based upon the operation of these causes. The quotations for some articles show a very important fall in prices; but there are notable exceptions to this rule, and especially in the case of food products. For the purpose of indicating the course of prices within the last twelve months, we present the wholesale quotations at New York of certain leading articles of consumption, giving in each case the average price at the dates named.

WHOLESALE PRICES OF LEADING PRODUCTS AT NEW YORK MARCH 1, 1866, SEPT. 1, 1866,
AND MARCH 1, 1867.

<i>Food Products—</i>	Mar. 1, 1866.	Sept. 1, 1866.	Mar. 1, 1867.
Butter, N. Y. fair.....	\$0 43½	\$0 35	\$0 34
Cheese, fact. dairies.....	22	18	19½
Flour, R. hoop Ohio.....	8 60	9 40	11 00
Wheat, Mil. Club.....	1 85	2 00	2 10
Corn, mixed western.....	78	80	1 08
Beef, extra mess, new.....	22 35	22 00	18 50
Pork, mess, new.....	28 00	32 75	20 75
Lard.....	18	19½	12½
Rice, Carolina.....	13 50	13 25	10 37½
Sugar, granulated.....	17	16½	15½
Salt, Worthington's.....	3 00	2 85	3 00
Tea, Hyson, med.....	1 40	1 25	1 25
Coffee, Rio, prime (gold).....	21	19½	18½
Fish, dry cod.....	7 50	7 50	6 60
<i>Clothing Products—</i>			
Cotton, middling uplands.....	44	32	33
Wool, Saxony fleece.....	74	63	58
Flax, Jersey.....	30	21	19½
Silk, Tasitees, No. 1.....	11 60	11 09	12 00
Brown sheetings, standards.....	28	23	22
Print cloths 64x64.....	14½	13½	11½
<i>Metals—</i>			
Copper, Portage Lake.....	36	81	27½
Iron, Scotch pig.....	48 57	47 50	43 00
“ American pig.....	49 00	49 00	45 50
“ Ralle, American.....	85 00	87 50	84 00
Lead, English (gold).....	9 00	10 75	6 90
Spelter, plates, domestic.....	11	11	9½
Steel, American spring.....	13	11½	13½
Tin, English (gold).....	24	21½	22
Zinc, sheet.....	14½	14½	13
<i>Woods—</i>			
Eastern spruce.....	24 00	23 50	19 75
Southern pine.....	60 00	45 00	42 50
Clear pine.....	90 00	90 00	90 00
Black walnut.....	112 50	110 00	110 00
<i>Miscellaneous—</i>			
Ashes, pearl, 1st.....	11 75	13 75	12 25
Coal, anthracite.....	10 50	8 50	7 25
Cordage, Manila.....	33	23	22½
Feathers, P. West.....	60	62	86
Hair, Rio Grande.....	39	34	33½
Hay, North River.....	83	87½	1 40
Turpentine, Spirits.....	91	69	71
Pitch.....	4 35	3 25	4 50
Rosin, No. 1.....	10 50	6 00	6 25
Oil, Olive, in casks.....	1 70	1 75	1 60
“ w. hale, refined.....	1 50	1 53	1 02½
“ Lard.....	1 25	1 22	1 12½
“ Kerosene.....	66	63	53
Petroleum, crude.....	29	27	17½
Rags, white, city.....	13	10½	—
Tallow, American.....	13	12½	11½

The first class of products comprises the chief expenditures of the household. In breadstuffs the advance since March, 1866, is very important, averaging about 35 per cent., and goes far toward neutralizing the decline upon other articles. In dairy products and beef and pork the reduction averages about 20 per cent., while groceries show a fall of about 10 per cent. Upon the whole, however, the house-wife would appear to be able to supply her table at a lower cost than a year ago, the average decline being probably 5@7½ per cent.

In clothing manufactures and their respective raw materials the decline has been most marked. Cotton has fallen within the year 12 cents per pound, or 30 per cent., and domestic wool, of Saxony fleece grade, 16 cents, or say 22½ per cent., while domestic fabrics have declined in fully an equal proportion. Woolen goods, indeed, have fallen in a ratio beyond that of the raw material, the production having been largely in excess of the wants of the country; and manufacturers have consequently sustained severe losses.

In the metal markets the fluctuations have been less marked than in other products. Pig iron has fallen about \$4 per ton, or less than 10 per cent.; railroad iron brings nearly the same price as it did one year ago; steel is even higher, and tin shows but a nominal decline; while copper, lead, spelter and zinc range 15@25 per cent. lower. Although the decline in this class of products is not so general as might be desired, yet it is sufficient to afford important relief to industrial operations by cheapening machinery and some of the materials of building. Similar relief is also offered by the changes in the value of lumber and staple woods generally. From the quotations above given it will be seen that, in spruce and Southern pine there has been a decline warranting an important reduction in the cost of the principal classes of wood work, although fancy woods maintain nearly old prices. In oils, which are by no means unimportant in their relation to manufacturing processes, the table also shows a similar movement towards lower figures. And, still more important, coal, the chief source of motive power, is but little over two-thirds the price at which it sold one year ago.

It will be apparent from this hasty survey that, although the decline in prices has not been universal, and there are some important exceptions to a downward course of values yet, upon the whole, it has been sufficiently broad to afford important relief to consumers at large and to our depressed manufacturing industries. With the almost sole exceptions of bread and rent, the working classes find a material reduction in all their items of expenditure, and are, therefore, the better prepared to meet that fall in wages which the changed condition of production and values renders inevitable. In some cases reduction of wages has actually taken place within late months; but the price of labor has not fallen so generally, nor in such a ratio, as the value of products. The inference is therefore plain that, as capitalists are not making their usual profits upon production, they will be necessitated to enforce lower rates of wages. This is one of the most essential measures toward a further reduction of the scale of values; and the labor market is evidently being prepared for it. The number of unemployed workmen is on the increase, and very many of the factories have recently put their hands on short time; so that the competition for employment must soon produce its natural result.

The future of prices is to a large extent dependent upon causes as yet uncertain as to their ultimate development. If the seasons should prove favorable to abundant crops, one great condition toward a further decline in values will be insured. During last year the failure of the wheat crops of Europe conduced to promote extraordinary high prices for breadstuffs in the United States; and, with high prices for bread, employers have naturally been somewhat reluctant to cut down the pay of their hands. But with a plentiful harvest this year the reduction of wages would be only the more sweeping from the movement having been deferred. The partial abatement of internal taxes upon some leading manufactures is in favor of a limited decline of values, while Congress appears indisposed to favor any course tending to foster the prevailing inflation.

It is not to be supposed that there will be any sudden or extreme fall in values, except in the event of a general panic, a contingency which there is no very obvious reason for expecting, and which, should it occur, would have only a temporary effect upon prices. The causes chiefly regulating values are identified with the natural laws of trade, which are always steady and gradual in their operation; and by the current modifications of these influences, rather than by temporary and extraneous events, that we must be guided in our anticipations as to future changes in prices.

DEBT AND FINANCES OF SOUTH CAROLINA, KENTUCKY AND GEORGIA.

SOUTH CAROLINA.

The public debt of South Carolina, as stated by the Hon. S. L. Leaphart, Comptroller-General of the State, in his report to the Legislature for the year ending Sept. 30, 1866, amounted, exclusive of past-due coupons and interest, to the sum of \$4,426,440 46; or, including the military debt contracted during the late war, to \$6,668,280 46, and was thus accounted for:

3 per cent. State Stock, redeemable at pleasure.....	\$38,826 00
6 do Stock (Fire Loan), Act 1838, redeemable 1860 and 1870.....	818,159 35
5 do Bonds (do do), Act 1838, sterling, redeemable 1868.....	484,444 51
6 do do (Blue Ridge), Act 1854, redeemable 1875-79.....	1,000,000 00
6 do do (do do), Act 1859 do 1865.....	810,000 00
6 do do (New State House), Act 1853, redeemable 1871.....	250,000 00
6 do do (do do do), Act 1855 do 1881.....	250,000 00
6 do Stock (N. S. House), 1st issue, Act 1856, red'able 1877.....	250,000 00
6 do do (do do do), 2d issue, Act 1867 do 1888.....	300,000 00
6 do do (do do do), 3d issue, Act 1868 do 1888-85.....	400,000 00
6 do do (do do do), 4th issue, Act 1869 do 1897-99.....	400,000 00
6 do do (do do do), 5th issue, Act 1861 do 1883-85.....	400,000 00
6 do do (do do do), 6th issue, Act 1863 do 1890.....	25,000 00
Total Debt Proper.....	\$4,426,440 46
6 per c. Bonds (Military Defence), Act Dec., 1860, redeemable 1863-5.....	239,300 00
7 do do (do do), Act Jan., 1861, red'able 1868-72.....	191,150 00
7 do Stock (do do), Act Dec., 1861 do 1868-72.....	296,770 00
7 do do (do do), Act Dec., 1861 do 1867-64.....	1,514,710 00
Total Military Defence Debt.....	\$2,241,840 00
Total amount.....	\$6,668,280 46

The following statement gives the details of the several issues :

3 per cent. State stock, redeemable at pleasure	\$28,836 60
6 do Stock (Fire Loan), 1838, redeemable 1860	8,705 46
6 do do do do do 1870	314,453 80
5 do Bonds, do do Sterling, 1838, redeemable 1868	484,444 51
6 do Bonds (Blue Ridge RR.), 1854, redeemable 1875	200,000 00
6 do do do do do do 1876	200,000 00
6 do do do do do do do 1877	200,000 00
6 do do do do do do do 1878	200,000 00
6 do do do do do do do 1880	200,000 00
6 do do do do do do 1859, do 1865	310,000 00
6 do do (State House), 1853, redeemable 1871	250,000 00
6 do do do 1853, do 1881	250,000 00
6 do Stock, do 1856, do 1877	250,000 00
6 do do do 1857, do 1883	200,000 00
6 do do do 1858, do 1883	200,000 00
6 do do do 1858, do 1885	200,000 00
6 do do do 1859, do 1887	200,000 00
6 do do do 1859, do 1889	200,000 00
6 do do do 1861, do 1883	200,000 00
6 do do do 1861, do 1886	200,000 00
6 do do do 1863, do 1890	25,000 00
6 do Bonds (Military), 1860, redeemable Jan., 1863	189,300 00
6 do do do do do Jan., 1863	
6 do do do do do Jan., 1864	
6 do do do do do Oct., 1864	
7 do do do do Jan., 1861, redeem. ble 1863	100,000 00
7 do do do do do 1870	9,650 00
7 do do do do do 1872	64,500 00
7 do do do do do 1872	125,000 00
7 do Stock do Dec., 1861, do 1868	23,226 00
7 do do do do do 1870	128,506 00
7 do do do do do 1872	75,000 00
7 do do do do do July, 1867, to July, 1893,	
(\$84,070) annually	1,439,190 00
7 per cent. Stock (Military), Dec., 1861, redeemable July, 1864	85,580 00
Total	\$4,668,280 46

Besides this amount the State is indebted for an issue of bills receivable authorized by act of Dec., 1865, circulating as money and receivable for taxes and all other dues to the amount of \$147,000; but of which to the 1st November \$99,766 94 had been redeemed, leaving outstanding a balance of \$47,233 06.

The interest due on the several classes of bonds to September 30, 1866, was as given in the following statement :

Int. on 3 per ct. State st'k.	\$3,638 89	Int. on 6 per ct. milit'y b'ds.	\$30,479 60
" on 6 " F. L. st'k.	49,749 89	" on 7 " Jan. '61	54,431 71
" on 5 " F. L. b'ds.	18,477 66	" on 7 " Dec. '61	59,386 96
" on 6 " S. H. b'ds.	144,390 00	" on 7 " Dec. '61	324,001 61
" on 6 " S. H. st'ck.	273,612 85		
" on 6 " R. R. b'ds.	224,095 01	Total on military debt.	\$458,787 28
Total on debt proper	\$773,787 26	Aggregate on both debts.	\$1,237,069 56

The debt created for military defence, though still kept on the Treasury Ledger, is not recognizable. Excluding this from the calculation the total indebtedness on the 30th September last, with past due interest amounted to \$5,205,327 74.

By an act passed by the Legislature and approved by the Governor of the State September 21, 1866, the past due interest and interest to accrue on specified stocks and bonds up to July 1, 1867, and also the principal of the bonds under act of December, 1859, issued in favor of the Blue Ridge Railroad, redeemable January 1, 1865, were ordered to be funded. The following is a statement estimating the indebtedness of the State to July 1, 1867, on the bonds and stocks specified in said act.

Interest on \$300,000, 6 per cent. State House bonds.....	\$168,790 00
" on \$1,775,000, 6 " " stock.....	338,487 85
" on \$1,000,000, 6 " " Blue Ridge R. R. bonds, 1854.....	280,775 00
" on \$310,000, 6 " " " " " 1859.....	31,750 00
Total debt for interest on specified bonds and stock.....	\$840,802 85
Principal of 6 per cent. Blue Ridge Railroad bonds, 1859.....	310,000 00
Total principal and interest to be funded.....	\$1,210,802 85

There was no provision made by the Act for funding the interests due on the stocks and bonds of the Fire Loan, nor for the principal of the former, redeemable in 1870, and of the latter in 1868. The interest due on these securities on the first of October last amounted to \$68,220 55. Governor Orr recommends that the Legislature should grant authority to fund the interest now due, and that which will accumulate up to January 1, 1868.

The following abstract from the general ledger of the Treasury exhibits accurately the financial condition of the State as of October 1, 1866.

DEBTORS.		CREDITORS.	
Bank of the State for capital.....	\$1,976,168 08	Bank of the S. for Current Fund.....	\$1,178,973 60
" " for sinking fund.....	3,387,784 26	Funded debt proper.....	4,438,440 46
" " for redemption, &c.....	28,300 90	War debt.....	2,341,840 00
Treasury, State of S. Carolina.....	211,190 88	Interest on debt proper.....	778,787 28
Shares in R. R. Companies.....	2,668,800 00	" on war debt.....	468,787 28
Due by Sheriffs, Collectors, &c.....	359,329 44	Bills Receivable of the State.....	147,000 00
Sundries, dues & claims.....	37,303 44	New State House Columbia.....	13,916 60
Balance against the State.....	881,666 21	Balances current accounts.....	189,958 48
Total.....	\$9,481,337 10	Total.....	\$19,481,337 10

That many items in this account are merely book credits and debits is obvious. From the creditor side must be deducted the military debt and interest, together amounting to \$2,700,227 28, leaving the absolute liabilities of the State \$6,721,109 82. On the other side there is no certainty as to precise value which the various items represent. The State Bank is insolvent and about to go into liquidation, while the railroad shares are sadly depreciated, and at present have only a nominal value.

The resources of the State for taxation, and the rates and amounts of tax levied for the year commencing Oct. 1, 1865, are shown in the following statement:

	Valuation.	Rates.	Tax levied.
15,516,363 acres of land.....	\$48,087,869	15c \$100	\$72,131 82
Lots and buildings in cities, &c.....	23,987,979	15c \$100	35,981 97
Capitation on 55,045 males bet. 21 & 65 years.....	100,000	\$2 1/2 head	110,000 00
Occupations.....	394,007	60c \$ head	2,364 04
Commissions of vendue masters, brokers, &c.....	75,322	60c \$100	451 93
Tax on 43,045 dogs.....	43,045	\$1 1/2 head	43,045 00
Tax on Express Companies.....	2,000		2,000 00
Premiums of State Insurance Companies.....	9,587	\$1 1/2 \$100	85 87
do Foreign Insurance Companies.....	163,840	\$2 1/2 \$100	2,276 80
Capital stock of gas light companies.....	768,600	40c \$100	3,074 40
Sales of merchandise, &c., by residents.....	6,210,966	20c \$100	12,421 91
do by transient persons.....	1,380	\$1 1/2 \$100	15 80
Manufactures.....	211,419	\$11 \$100	2,114 12
Spirituous liquors manufactured.....	9,711	\$20 \$100	1,943 20
do brought into State.....	5,568	\$20 \$100	1,113 60
Cotton on hand Oct. 1.....	9,581,966	\$1 1/2 \$100	95,819 26
Sales of cotton from May 1 to Oct. 1, 1865.....	1,165,000	\$1 1/2 \$100	11,650 00
Crude turpentine on hand Oct. 1.....	83,968	\$1 1/2 \$100	839 68
Sales of crude turp. from May 1 to Oct. 1.....	24,302	\$1 1/2 \$100	243 02
Arrears, double taxes, &c.....	532		532 96
Grand total, valuation and taxes.....	\$90,885,436		\$396,754 78
Amount deposited by tax collectors.....			20,913 85
Total gross.....			\$419,668 78

The receipts from all sources, and the expenditures on all accounts, for the year ending Sept. 30, 1866, are shown in the following statement:

RECEIPTS.		PAYMENTS.	
Bills Receivable of the State, issued under Act of December, 1865.....	\$147,000 00	Salaries.....	\$76,481 68
General taxes.....	330,315 97	Free Schools.....	5,579 49
Claims refunded.....	89 60	Expenses issuing Bills Receivable.....	4,436 13
		Bank of State, for loan of 1865.....	74,135 00
		And interest thereon.....	3,931 10
		Deaf, Dumb and Blind.....	5,000 00
Balance, included in amount credited to Bank of State, for Current Fund, as per statement of "Debtors and Creditors," 30th Sept. '66.....	184 00	Lunatic Asylum.....	20,897 06
		Temporary Log House Jails.....	6,500 00
		General Taxes Refunded.....	2,478 02
		State Printing.....	17,446 66
		Miscellaneous.....	39,373 02
Total.....	\$477,438 87		
		Balance October 1, 1866.....	\$366,943 04
			\$211,190 83
		Total.....	\$477,438 87

The local taxes for the year, not included in the above account were: Poor taxes, \$57,387 64; public building taxes, \$27,281 94; and road and bridge taxes, \$65,046 25—total, \$149,715 83.

It will be perceived that the payments for 1865-66 do not include many items of ordinary expenditures (as those of the Legislature), nor yet the annual cost of the debt. These will come into the accounts hereafter, and add largely to the disbursements. The above account therefore cannot be taken as a proper exhibit of the actual resources or of the necessities of the State, even at the present time, much less of the future.

The Governor in his message, and the Comptroller in his report have each of them something to say on the financial condition of the State. Both concur in the necessity for the settlement of all the interest accounts by funding and the resumption of interest payments. They join also in a recommendation to the Legislature, that a sinking fund—say of \$100,000 a year—should be founded for the final extinction of the State's indebtedness.

Governor Orr thus presents the subject:

"It is, however, eminently proper that some financial scheme should soon be adopted to prepare the State to meet the principal of the debt as it falls due. If the interest is regularly paid on the debt, \$100,000 annually set apart as a sinking fund for twenty years, invested in safe securities yielding 6 per cent. per annum, the principal being further increased by the investment of the interest accruing, will accumulate the sum of \$3,899,312, which will be nearly adequate to the payment of the entire debt then due, and I recommend that proper legislation be adopted at the present session to inaugurate this scheme."

The Comptroller General concludes his report with the following pertinent remarks:

"The maintenance and preservation of the faith and credit of the State in her financial relations, will doubtless engage the earnest attention of the Legislature at the present session. The reservation of a portion of her property and assets, or of her annual income, for the liquidation of her debt, will be recognized as the best evidence that the State has both the means and the intention to secure the public creditor. The establishment of a new redeeming fund would, therefore, constitute the best guarantee of her solvency and her good faith, the elements into which public credit must be ultimately resolved. Should a new loan be deemed requisite to meet our most pressing liabilities, the adoption of some measure to insure the punctual payment

* This balance, by November 1, had been reduced to \$173,055 08, which was made up as follows: coin \$312 75, U. S. currency \$73,945 34, and State currency (bills receivable), \$69,766 94; The bills receivable are to be cancelled.

of interest and the final redemption of the principal, would seem to be necessarily indicated. That a loan, to the extent that may be actually needed, could be negotiated on advantageous terms, notwithstanding the temporary embarrassment of our finances, there is no reason to doubt."

Thus we find the best feelings of the State authorities enlisted in favor of the public creditors—a sure indication of a like healthy tone pervading the general public.

KENTUCKY.

The funded debt of the Commonwealth of Kentucky, as shown by the Auditor's Report for the fiscal year ending October 10, 1866, amounted at that date to the sum of \$5,238,691.79, viz.:

per cent. bonds and scrip, due.....	\$403 00
" " due.....	20,000 00
" " not due.....	2,946,000 00
" " held by Board of Education.....	251,000 00
" " held by Board of Education.....	67,500 00
6 " " issued for unexpended county distribution and held by Board of Education.....	1,259,270 01
	294,519 78

Total public debt Oct. 10, 1866..... \$5,238,691 79

The following is a detailed description of the several issues comprised in the above aggregate amounts:

Date of Act.	Issued in favor of—	Principal Issued.	Payab. Now.	Rate.	Interest Payable.	Amount.
						Issued. Outst'g.
Feb. 23, 1835..	Bank of Kentucky*	May 25, 1835	30 years	5	May & Nov.	100,000 7,000
" " "	Prime, Ward & Kingt.	Aug. 1, 1835	"	5	Feb. & Aug.	100,000 4,000
Feb. 29, 1836..	Northern Bank of Ky.†	Apr. 25, 1836	35 years	5	Apr. & Oct.	100,000 96,000
" " "	"	June 1, 1836	30 years	5	June & Dec.	50,000 9,000
Feb. 23, 1837..	U. S. War Department†	April 1, 1837	"	5	April & Oct.	165,000 77,000
Mar. 8, 1842..	John Tilford, agent to sell	Sept. 2, 1842	"	5	"	100,000 79,000
Feb. 16, 1838..	Amer. Life Insur. and Trust Co.†	July 1, 1838	"	6	Jan. & July.	1,350,000 374,000
Feb. 22, 1839..	Contractors on public workst	Apr. 22, '40 to Feb. 19, '41	"	6	various.	33,000 27,000
Feb. 21, 1840..	Northern Bank of Ky.†	Nov. 4, 1840	"	6	May & Nov.	225,000 188,000
" " "	Bank of Kentucky.†	"	"	6	"	180,000 151,000
" " "	Contractors and in exchange for 6 year bonds of 1840 '44t.	April 2, 1841 to April 1, 1842	"	6	various.	1,741,000 1,421,000
.....	Board of Educa., No. 1..	Aug. 9, 1840	"	6	Feb. & Aug.	24,000 24,000
.....	" " " " No. 20.	Jan. 6, 1840	"	6	Jan. & July.	21,500 21,500
.....	" " " " No. 21.	Jan. 1, 1840	"	6	"	22,000 22,000
.....	" " " " No. 22.	Jan. 1, 1840	35 years	5	"	500,000 500,000
.....	" " " " No. 23.	Jan. 22, 1840	"	5	"	170,000 170,000
.....	" " " " No. 24.	"	"	5	"	180,000 180,000
.....	" " " " No. —.	Dec. 23, 1848	pleasure	5	"	308,268 308,268
.....	" " " " No. —.	July 5, 1850	"	5	"	101,102 101,102
Jan 30, 1864..	" " " "	July 1, 1865	"	6	"	294,530 294,530
Feb 18, 1864....	Military purposes..	Aug. 2, 1864 to Oct. 10, '65	15 or 30 years.	6	various.	733,000 685,000

VALUATION AND TAXATION.

The taxable value of real estate and personal property owned in the Commonwealth in 1860 was \$528,212,693, or, excluding the value of slaves (\$95,588,479) \$432,624,214. The valuation in 1865 excluding value of

Marked thus (*) are payable at the Bank of Kentucky; thus (†) at New York; and thus (‡) at the Northern Bank of Kentucky. All others are payable at the Treasury.

slaves (\$7,224,851) was \$352,492,310, and in 1866 \$392,355,952, showing an increase in the latter over the previous year of \$39,863,642. The figures for the years 1865 and 1866 compare as follows:

	Year 1865		Year 1866	
	Number.	Value.	Number.	Value.
Acres of land.....	17,778,146	\$197,876,731	19,665,443	\$210,631,879
Town lots.....	45,560	61,883,478	50,070	77,760,914
Slaves.....	153,614	7,224,851	.....	.....
Horses and Mares.....	299,160	16,641,815	324,623	20,319,494
Mules.....	58,273	4,176,348	66,876	4,990,762
Jennies.....	3,933	167,523	3,744	157,635
Cattle.....	520,798	6,267,347	559,303	6,267,026
Stores.....	4,290	16,527,915	6,115	20,382,579
Value under equalizat'n law.....	.....	45,409,885	.....	47,102,390
Carriages and vehicles for passengers.....	.....	1,509,123	.....	1,659,150
Gold and other watches and clocks.....	.....	1,023,7 9	.....	1,160,701
Gold and other plate.....	.....	500,3 8	.....	451,071
Pianos.....	.....	708,269	.....	822,600
Total Valuation.....	.....	\$359,717,161	.....	\$392,355,952

The following statement shows the objects of taxation and the rates and amount of tax levied in the year 1866:

Tax on \$392,355.92's valuation.....	40 cts. per \$100	\$1,569,423 80
Tax on 3,661 dogs (over two not taxed).....	\$1 each.	3,661 00
Tax on 145,096 enrolled militia.....	50 cts. each.	72 518 00
Tax on \$981,311, value of property owned by negroes.....	40 cts. per \$100	3,925 27
Tax on 33,167 negroes over 15 years old.....	\$.2 per capita.	70,334 00
Tax on Auditor's List.....	.....	55,169 54
Total taxes for 1866, for service of 1866-67.....	.....	\$1,775,026 58
Total taxes for 1865, for service of 1865-66.....	.....	1,496,318 98
Increase of revenue for 1866 over 1865.....	.....	\$278,707 60

RECEIPTS AND EXPENDITURES.

The receipts and expenditures of the Commonwealth for the year ending October 10, 1866, are exhibited in the following accounts:

Funds.	Balance Oct. 10, 1865.	Receipts 1865-66.	Total Resources.	Warrants 1865-66.	Balance Oct. 10, 1866.
Revenue.....	\$19,302 41	\$917,378 45	\$936,680 86	\$1,122,512 23 def.	\$185,831 26
Sinking.....	105,030 01	493,817 08	598,847 09	338,699 53 excess	240,147 56
School.....	37,035 33	162,815 81	200,854 14	159,234 03	47,620 11
Other.....	27,211 74	393,947 97	421,159 71	362,361 81	58,777 90
Total.....	\$183,583 49	\$1,974,959 31	\$2,163,541 80	\$2,002,827 59	\$160,714 21

The tax on valuation for 1866-7, including the Auditor's list (\$55,165 54) is estimated at..... \$1,624,593 34
—from which must be deducted the following, viz.:

Amount paid in prior to Oct. 10, 1866.....	\$191,080 34
Sheriffs' commissions, delinquencies, exonerations, &c.....	140,006 00—
Leaving the sum available.....	\$331,030 34
	\$1,293,593 00

The *Revenue Fund* for the support of the Government is entitled to one-half of the amount of the above tax..... viz.: \$846,791 50
—and has other resources to the estimated amount of..... 230,400 00
—making the total estimated receipts for 1866-7..... \$896,191 50
Estimated expenses for the year 1866-7..... 990,900 00
Deficit for year ending Oct. 10, 1867..... \$104,718 50
Add deficit for year ending Oct. 10, 1866..... 185,831 89
Supposed deficit of Revenue Fund Oct. 10, 1867..... \$390,549 86

—which amount will have to be supplemented by loan or otherwise, as the Legislature may direct.

The *Sinking Fund*, for the payment of the public debt and interest thereon, receives three-eighths of the valuation tax, and has other resources derived from dividends on stocks owned by the State, taxes on corporations, taxes on billiards and playing cards, interest on deposits, &c. The property and assets owned by the Commonwealth, and constituting the capital of this fund were valued on the 10th October, 1866, at \$8,150,072 09, viz.:

Stock in Internal Improvement Companies.....	\$4,530,475 00
“ in banks and railroads.....	1,543,819 56
Loan to Revenue Department.....	\$100,000 00
Interest on same.....	15,000 00—
Loan to Military Fund.....	200,000 00
Deposit to credit in Farmers' Bank of Kentucky, bearing int'st.....	171,899 27
Amount in Treasury Oct. 10, 1866.....	\$1,054,280 76
“ “ “ (not transferred).....	240,147 56—
	\$1,290,378 23

—making the total nominal value, as above stated, \$8,150,072 27.

The *School Fund* is entitled to one eighth of the valuation-tax, and also to taxes on the capital stock of certain banks, fines and forfeitures for gambling, the dog tax, &c. The permanent capital of the fund consists of moneys invested in the bonds of the Commonwealth to the amount of \$1,326,770 01 (see details in Debt Statement), and 735 shares in the Bank of Kentucky valued at \$73,500, making a total of \$1,400,270 01. Of the bond investments, \$67,500 bear interest at 6 per cent. and the remainder at 5 p. c.

REPORT OF THE COMMITTEE ON SINKING FUND.

The Committee on the Sinking Fund made a report to the Senate on the 2d of February, 1867, from which we extract the following:

The above debt was created for purposes of improvement, for the payment of which certain sources of revenue were set apart, constituting a fund to pay the interest and sink the principal of the debt.

The Constitution forbids the repeal of the laws which constitute the resources of that fund, and provides that they may be increased, but shall not be diminished until the debt is paid.

RESOURCES OF THE SINKING FUND.

Amount in the Treasury on the 10th day of October, 1866.....	\$1,050,280 76
Amount in the Treasury on the 10th of October, 1866, to be transferred to this fund.....	240,147 56
Amount borrowed from the Sinking Fund by the Treasury Department, with interest up to October, 1867.....	121,000 00
Amount borrowed by Military Board of Sinking Fund.....	200,000 00
Estimated amount to be received from 15 cents tax on \$100 worth of property for the year 1867.....	485,086 00
Estimated receipts from other sources than 15 cents tax.....	324,571 00
Total amount of available resources to 1868.....	2,692,434 71
From that should be deducted interest for 1867.....	170,780 00
Total sum which may be paid on debt in the year 1867.....	\$2,431,654 71
The present annual reliable sources of receipts, exclusive of interest on deposits and receipts from forfeited lands.....	777,351 00
A tax of ten cents remains of the increased resources of the Sinking Fund for war purposes. Five cents was levied before the adoption of the Constitution, and cannot be repealed until the debt is paid; but if the Legislature think proper to repeal the 10 cents tax, the annual resources of the fund would be.....	487,866 00
The sum reported to be due from the General Government of the United States to the State of Kentucky, as shown by the Governor's message, is.....	2,438,347 91
That fund owes to the Sinking Fund charges above.....	200,000 00
	\$2,338,347 91

The bonds of the State were issued due in 15 and 30 years, chargeable to that fund, for.....	685,000 00
If it shall be the policy of the State to defer the payment of those bonds to maturity, there would be of the war fund, if received, placed at the disposal of the Legislature.....	2,238,347 91
If thought best to pay them, that sum deducted.....	685,000 00
Leaves.....	\$1,553,347 91

Colonel Peenebaker, the State Agent at Washington to attend to the liquidation of that claim, gives assurances that accounts amounting in the aggregate to between seven and eight hundred thousand dollars have been so far approved by the accounting officer as to give assurances that that sum will soon be placed to the credit of the State.

It will be seen that the sum on hand, at the close of the year, lacks only \$470,748 of paying our actual indebtedness. The resources, exclusive of the ten cents tax, amounts annually to \$317,086 more than the annual interest, and will increase by the amount of interest on each debt when paid. The above surplus would be applicable next year to the payment of principal. * * * * *

It is suggested for the consideration of the Legislature the passage of a law directing that proclamation be made by the President of the Board of Commissioners of the Sinking Fund that the State of Kentucky is ready to redeem all her bonds, irrespective of their maturity; that after maturity no interest will be paid; and if not presented for payment within one year after maturity, the State will regard them as lost and cancelled; and if presented after that time, will only be paid at the pleasure of the State. If it can be ascertained that an exchange can be effected, the fact should be made known in the proclamation and published in papers in the localities where the bonds are held.

The Sinking Fund was created for the purpose of paying the interest and principal of moneys borrowed for internal improvement. If it shall be deemed to the interest of the State to enter on a general system of improvement, or aid in the construction of leading lines of railroads connecting those now constructed in the State with those in other States, or by diverging from them and striking in the direction of the Ohio, it will be found that the present Sinking Fund, without additional taxation, is sufficient to pay the interest on near or quite eight millions of dollars.

On this same subject we have received the following from Gov. Bramlette:

EXECUTIVE DEPARTMENT, }
FRANKFORT, Feb. 15, 1867. }

The monthly report of the Auditor, made to this office on the 31st January, 1867 exhibits in the Treasury at that date the sum of \$2,026,100 30, being \$975,861 54 more than at the close of the fiscal year (10th October, 1866), the date from which the estimate in the foregoing report was made. There is still due from the sheriffs and other revenue officers a large amount of unpaid revenue for 1866. The entire indebtedness of the State is set forth in the foregoing report.

THOS. E. BRAMLETTE.

GEORGIA.

The bonded debt of the State of Georgia, existing on the 15th day of October, 1866, is made up of the following constituents, viz.:

Bonds issued in favor of Western & Atlantic RR.....	\$1,912,000
" " " " Atlantic & Gulf RR.....	734,000
Bonds under act of March 12, 1866.....	3,030,000
Total outstanding October 15, 1866.....	\$5,706,500

The issues under the authority of the act of March 12th, were made (1) for the repairs and equipment of the Western & Atlantic Railroad \$1,500,000; (2) for, or in substitution of certain bonds authorized by the

Convention of 1865, \$100,000; (3) for the payment of the U. S. Land Tax apportioned to Georgia, \$600,000, and for the renewal of bonds past due, and the funding of interest coupons \$830,550. These bonds are secured by a mortgage of the Western & Atlantic Railroad, from the earnings of which the interest at seven per cent. and a contribution to a sinking fund of three per cent. are to be paid annually until the bonds are redeemed.

The following is a statement in detail of the bonds outstanding at date, as reported by the Hon. John Jones, State Treasurer:

Issued in favor of—	Date of issue.	Bonds issued.			Interest—		Principal payable.
		No.	Size.	Am't.	Rate.	Payable	
Western & Atl'c RR.	July, 1848	353	\$500	\$176,500	6	Jan. & July	July, 1868
" " "	July, 1844	262½	1,000	262,500	6	" "	July, 1869
" " " stg.	Mar. 1859	30	\$500	72,000	5	Mar. & Sep	Mar. 1869
" " "	Jan. 1840	538	\$250	134,500	6	Jan. & July	Jan. 1870
" " "	Jan. 1841	252	250	54,000	6	" "	Jan. 1871
" " "	Jan. 1841	116	500	58,000	6	" "	Ja. 1871
" " "	Jan. 1841	88	1,000	88,000	6	" "	Jan. 1871
" " "	Jan. 1842	896	250	96,500	6	" "	Jan. 1872
" " "	Jan. 1852	200	500	100,000	7	" "	Jan. 1872
" " "	July, 1852	1,050	500	525,000	6	" "	July, 1872
" " "	June 1842	172	250	43,000	6	Jun. & Dec.	June 1872
" " "	Jan. 1842	16	500	8,000	6	Jan. & July	Jan. 1873
" " "	June 1842	16	500	8,000	6	June & Dec	June 1872
" " "	June 1842	85	500	17,500	6	" "	June 1872
" " "	Jan. 1843	48	1,000	48,000	6	Jan. & July	Jan. 1873
" " "	June 1842	19	1,000	19,000	6	June & Dec	June 1872
" " "	Jan. 1843	84	1,000	84,000	6	Jan. & July	Jan. 1873
" " "	May 1844	48	500	24,000	6	May & Nov	May 1874
" " "	May 1844	51	1,000	51,000	6	" "	May 1874
" " "	May 1848	176½	1,000	176,500	7	" "	May 1874
Atlantic & Gulf RR.	Feb. 1858	200	500	100,000	6	Feb. & Aug	Feb. 1878
" " "	Feb. 1859	300	500	150,000	6	" "	Feb. 1879
" " "	Aug. 1859	100	500	50,000	6	" "	Aug. 1879
" " "	Feb. 1860	300	500	150,000	6	" "	Feb. 1880
" " "	Aug. 1860	100	500	50,000	6	" "	Aug. 1880
" " "	Feb. 1861	200	500	100,000	6	" "	Feb. 1881
" " "	Aug. 1866	200	500	100,000	6	" "	Aug. 1886
" " "	Aug. 1866	345	100	34,500	6	" "	Aug. 1886
As per act March 12, 1866.	July, 1866	2,230	1,000	2,230,000	7	Jan. & July	July 1866
	" "	1,600	500	800,000	7	" "	July 1866

Included in the above list are the following issues, which are payable, principal and interest, in the city of New York. The Sterling bonds of 1839-69 are payable in the city of London. All other bonds are payable in Savannah and Augusta, or at the State Treasury. The New York list is as follows:

Bonds of July, 1852-72.....	\$525,000	Bonds of Feb., 1861-81.....	\$100,000
" Feb., 1853-78.....	100,000	" Aug., 1866-86.....	100,000
" Feb., 1859-79.....	150,000	" Aug., 1866-86 (\$100).....	34,500
" Aug., 1859-79.....	50,000	" July, 1866-86.....	2,230,000
" Feb., 1860-80.....	150,000	" July, 1866-86 (\$50).....	800,000
" Feb., 1860-80.....	50,000		
Total of all bonds payable, principal and interest, in New York.....		\$4,289,500	

All coupons due after August, 1866, are to be paid in currency at the assigned agencies or at the State Treasury.

The available resources of the State consist of the Western and Atlantic Railroad, about 137 miles, owned exclusively by the State, built at a cost of \$4,441,532 and valued at about \$8,000,000; 8,345 shares in the Atlantic and Gulf Railroad, and 186 shares in the Georgia Railroad. The unavailable assets of the State consist of 1,833 shares of stock in the bank of the State, and 890 shares in the bank of Augusta, and some remain of an interest in the Central Bank. The valuation of property, real and per-

sonal, owned in the State, not including slave property, was, in 1860, \$369,627,722. The current valuation is not stated in the report from which the present statement is made up; but whatever it may be, the tax proposed to be levied on it is \$450,000 a year, distributed *ad valorem*. Besides this general tax several specific taxes are levied for the support of the Government and other purposes. A capitation tax of \$1 on every male inhabitant between 21 and 60 years of age, and taxes varying from \$10 to \$25 on professions and specified employments. Gift enterprise men are to pay \$1,000 down before commencing business. Liquors pay 20 cents a gallon, but are exempt from the *ad valorem* tax; and any dealer failing or refusing to make true returns is fineable in the penalty of \$1,000. The law of March 3, 1866, indeed is remarkably severe, and the oath required on disclosure of property so searching as to preclude escape. The tax on incomes ordered by the convention of 1865, was discontinued by the Revenue Law of 1866.

The receipts into the Treasury for the year ending October 15, 1866, were largely from temporary loans and sales of bonds. The receipts from taxes were light, and chiefly from banks, railroad and express companies and foreign insurance agents, and the specific tax on sales of liquors which is collected quarterly. The account current for the year ending as above, is shown in the following schedule:

RECEIPTS.		PAYMENTS.	
Balance Oct. 15, 1865.....	\$5,201,086 13	Civil establishment, 1864.....	\$2,250 00
Temporary loan.....	657,424 20	" " 1865.....	55,226 07
General and income tax.....	1,456,602 67	" " 1866.....	53,765 34
Tax on railroads.....	2,480 58	Contingent fund, 1866.....	22,825 04
Western & Atlantic R. R.....	75,000 00	Printing fund, 1866.....	21,053 46
Tax on foreign ins. comp.....	7,321 27	Special appropriat's, '65.....	35,775 00
Specific tax on liquors.....	30,139 23	" " 1866.....	7,446,117 14
Sale of State bonds.....	1,004,293 08	Temporary loan, 1866.....	613,438 82
Bonds of Atl. & Gulf RR.....	134,500 00	Legislation & convent'n.....	219,662 85
All other sources.....	10,205 67	All other payments.....	8,576 50
Total.....	\$8,568,942 27	Total.....	\$8,497,190 32

-leaving a balance as of October 15, 1866, of \$171,752 05.

The probable resources of the State Treasury for the current year (1866-67) are estimated at \$882,252 05, and the expenditures at \$879,705 06. The income from each source is thus estimated—general tax \$450,000; tax on banks and railroads, each \$5,000, and on foreign insurance agencies \$10,000; tax on liquor sales \$60,000; dividends from Atlantic & Gulf RR. \$20,000, and net earnings of Western & Atlantic RR. \$250,000. The disbursements include \$100,000 for the Assembly, \$76,000 for the civil establishment, and \$307,000 for interest on the public debt. There is also included in the estimate of disbursement \$86,000 for repayment of temporary loan and \$106,805 06 for undrawn balances of old appropriations—together \$192,805 06 not belonging to the current year; leaving the actual necessary expenses of the State at \$686,900.

From the exhibits above given it is quite apparent that Georgia is rapidly recovering from the prostration caused by the late hostilities. A State that is able to raise such a revenue as is here estimated for, from a population of less than a million souls, two-fifths the number only just emerged from the condition of slavery, is a sure test of financial vitality. No further loans are wanted; all old accounts are liquidated, and once again the two sides of the public ledger are balanced.

CHICAGO AND ALTON RAILROAD.

The gross earnings from operations for the two years ending December 31, 1865 and 1866, compare as follows:

	1865.	1866.	Increase.	Decrease
Passenger traffic.....	\$1,604,188 01	\$1,946,805 63	\$	\$357,593 13
Freight traffic.....	2,153,151 85	2,809,498 69	154,346 74	.....
U. S. Mail, Expresses, &c.....	80,751 96	139,853 39	58,696 43	.....
Total gross earnings.....	\$3,840,091 83	\$3,695,153 86	\$	\$144,938 96
Total expenses.....	2,604,574 57	2,210,536 83	393,951 63	.....
Earnings less expenses.....	\$1,235,517 26	\$1,484,616 63	\$	\$249,090 63

The earnings, expenses and profits from operations for the last six years have been as follows:

Fisc Miles year. of r'd.	—Result of operations.			—Result per mile.			Profits p. c.	
	Earnings.	Expenses.	Profits.	Earnings.	Expenses.	Profits.		
1861.....	220	\$1,085,464	\$446,373	\$452,093	\$4,943	\$2,938	\$2,055	41.15
1862.....	220	1,235,001	767,307	457,794	5,567	3,487	2,080	37.36
1863.....	220	1,673,706	971,840	701,806	7,008	4,418	2,190	41.90
1864.....	257	2,770,484	1,532,105	1,238,379	10,730	5,961	4,819	45.03
1865.....	280	3,840,092	2,006,571	1,833,518	13,714	7,166	6,548	47.76
1866.....	280	3,695,153	2,210,536	1,484,617	13,197	7,895	5,303	40.18

The net earnings have been disposed of in the last three years, as shown in the following statement:

	1861.	1865.	1866.
Net earnings.....	\$1,235,517	\$1,833,518	\$1,484,617
Joliet & Chic. R.R., lease.....	\$164,735	\$140,239	\$153,313
Alton & St. Louis R.R. l'e.....	43,064	58,288	11,760
Improvements.....	70,000	407,447	231,707
Interest on bond.....	261,182	233,185	260,700
Sinking funds and tax.....	31,575	34,393	57,138
Dividends and tax.....	266,712	376,548	1,300,000
Balance to credit.....	\$361,531	\$531,449	\$366,536

The surplus Jan. 1, 1866, amounted to \$1,291,397, and Jan. 1, 1867, to \$1,497,955. This surplus is represented by—

Alton and St. Louis Railroad Company Stock.....	\$675,000
Bonds held by Trustees on renewal account.....	50,000
Joliet and Chicago Railroad Company bonds.....	7,000
Chicago and Mississippi.....	2,800
St. Louis, Jacksonville and Chicago Railroad Company bonds.....	15,800
Interest in Union Stock Depot, Chicago.....	50,000
Sum due this Company.....	165,478
Cash on hand—general fund.....	439,455
Supplies on hand.....	439,139

Less sums due others \$342,917..... \$1,840,872
\$1,497,955

The general balance sheets, December 31, 1863-66, exhibits the financial condition of the Company thus:

	1863.	1864.	1865.	1866.
Capital Stock, preferred.....	\$2,432,696	\$2,435,576	\$2,435,576	\$2,435,576
" " common.....	1,783,343	1,783,343	1,783,343	8,886,643
Bonds—Sinking Fund.....	585,000	554,000	619,000	483,000
" 1st mortgage.....	2,400,000	2,400,000	2,400,000	2,400,000
" Income.....	1,100,000	1,100,000	1,100,000	1,100,000
Sinking Fund, bonds cancelled.....	15,000	46,000	81,000	117,000
" cash.....	.....	575	134	.....
Bonds and Stocks unused.....	85,000	38,313	37,513	37,513
Renewal Fund, J & C. R. R. Stock.....	500,000	251,796	.....	.....
Alton & St. L. R. R. construction fund.....	.....	77,471	.....	.....
Current accounts.....	151,735	378,296	369,900	342,917
Income, surplus Dec. 31.....	349,742	741,236	1,291,398	1,497,955
Total.....	\$9,892,415	\$9,896,568	\$10,008,224	\$12,290,904

Against which the following charges are made :

	1863.	1864.	1865.	1866.
Cost of road & equipm'ts, (220 m's).....	\$3,281,639	\$3,808,919	\$3,808,919	\$10,118,522
Bonds and stocks unused.....	85,000	88,313	87,513	87,813
Alton & St. Louis RR. shares.....		647,700	637,700	676,000
Railroad bonds (foreign).....				24,800
Joliet & Chicago RR. shares.....	500,000	11,400		
U. S. 7-30 notes \$135,000.....				125,614
Renewal account, bonds in trust.....	120,000	50,000	50,000	50,000
Supplies on hand.....	166,881	296,993	451,934	428,139
Timber land.....		57,486	41,268	
Trustees Sinking Fund.....		675	184	
Stock depot and grounds purchased.....			78,689	50,000
Current accounts.....	140,551	268,168	308,880	165,478
Cash on hand, general fund.....	98,344	237,044	193,097	439,455
" " special fund.....				188,063
Total.....	\$9,392,742	\$9,596,563	\$10,008,294	\$12,290,904

The increased capital, as shown for 1866, was made by a distribution of stock in February last to the amount of one share of common stock to every two shares of stock, preferred and common alike, then outstanding, at the uniform price to holders of \$30 per \$100 share. This realized to the company of \$632,915, which was set apart as a special fund to be expended in new work and equipment, and to complete the purchase of the Alton and St. Louis Railroad; the sum of \$135,614 50, the cost of \$135,000 U. S. 7-30 notes being retained for the latter purpose. Deducting this amount, and \$339,217 82, expended on additional work and rolling stock, there remains the sum of \$158,082 68, as shown in the balance sheet for future exigencies. The distribution as above was made to cover capital expenditures from the income account.

Since the re-organization of the company, in October, 1862, the following dividends have been declared and paid :

Date of payment.	Prof.	Com.	Date of payment.	Prof.	Com.
September, 1862.....	3½	3½	September, 1865.....	8½	3½
March, 1864.....	3½	—	March, 1866.....	5	5
September, 1864.....	3½	5	September, 1866.....	5	5
March, 1865.....	5	5	March, 1867.....	5	5
Total in four years and a half.....				34	38
Stock (worth more than cash) distributed.....				35	35

—averaging, together, more than 15 per cent. per annum on the capital invested.

The monthly range of prices for the stocks of this company in the New York market, for the last three years, is shown in the table which follows :

	COMMON STOCK			PREFERRED STOCK		
	1864.	1865.	1866.	1864.	1865.	1866.
January.....	84½ @ 89½	89 @ 92	108 @ 106½	94 @ 96	90 @ 93	105 @ 107
February.....	81 @ 90	96 @ 96½	102 @ 119	92½ @ 98	92½ @ 98	103 @ 120
March.....	87 @ 94½	80 @ 90½	83 @ 112½	94 @ 100½	84 @ 93½	94½ @ 118
April.....	85 @ 100	80 @ 92	84 @ 90½	95 @ 100	85 @ 95	93 @ 96
May.....	88 @ 97½	82½ @ 93½	91 @ 99	94 @ 96	91 @ 107	100 @ 101
June.....	90 @ 99	87 @ 97½	95 @ 99	95 @ 97	92½ @ 105	102 @ 102
July.....	95 @ 98	90 @ 108	96½ @ 105½	98 @ 98	101 @ 102½	104½ @ 106
August.....	84 @ 97	96 @ 103	102½ @ 109	92 @ 97½	96 @ 104	105 @ 109½
Septemb'r.....	85 @ 87	96 @ 101	105 @ 113½	90 @ 93	97½ @ 105½	106½ @ 113½
October.....	80 @ 82	104 @ 106½	110½ @ 112½	85 @ 90	105 @ 107½	113 @ 113½
November.....	85 @ 90	108 @ 106	106 @ 113	90 @ 95	104½ @ 107	109½ @ 112½
December.....	89 @ 93	104 @ 106½	108 @ 110½	92 @ 95	105 @ 107½	110½ @ 111
Year.....	85 @ 100	80 @ 106½	83 @ 119	90 @ 100½	84 @ 107½	93 @ 120

BOSTON AND NEW YORK BANK DIVIDENDS.

Below we give tables showing the dividends of the New York and Boston Banks for a series of years :

NEW YORK BANK DIVIDENDS.

Companies.	1860.	1861.	1862.	1863.	1864.	1865.	1866.	Latest.
America.....	7	7	7	8	8	10	10	Jan., '67. 5 & 3x.
American.....	..	..	..	..	4	8	Jan., '67. 4	
American Exchange.....	7	3½	6	7½	9	10	10	Nov., '68. 5
Atlantic.....	..	..	..	..	10	12	Jan., '67. 6	
Bowery.....	..	..	..	..	..	10	Jan., '67. 5	
Broadway.....	10	10	10	11	20	22	24	Jan., '67. 12
Bull's Head.....	8	8	8	11	12	15	18½	Jan., '67. 4 & 2½x.
Butchers & Drovers.....	10	10	10	10	10	15	10	Jan., '67. 5
Central.....	..	..	..	..	6	12	12	Nov., '68. 6
Chatham.....	7	6½	..	9	10	12	16	Jan., '67. 8
Chemical.....	10	24	24	24	24	24	24	Jan., '67. 6
Citizens'.....	8	8	7½	8	8	14	10	Jan., '67. 5
City.....	8	8	8	8	12	12	12	Nov., '68. 6
Commerce.....	7	6	6	7	8	10	10	Jan., '67. 5
Commonwealth.....	7	6½	6	7	10	10	12	Jan., '67. 6
Continental.....	7	8	6	7	8	8	10	Jan., '67. 5
Corn Exchange.....	7	7	7	7½	9	10	10	Feb., '67. 5
Croton.....	..	..	..	..	..	45	50	Jan., '67. 10
Currency.....	..	..	..	..	..	7	7	Jan., '67. 3½
Dry Dock.....	8	7½	7	7	8	8	10	Jan., '67. 5
East River.....	7	7	7	7	8	8	10	Jan., '67. 5
Eighth National.....	..	..	..	..	..	10	10	Jan., '67. 5
Fifth National.....	..	..	..	..	..	8	10	Jan., '67. 5
First National.....	..	..	..	..	30	20	20	Nov., '68. 10
Fourth National.....	..	..	..	..	4	9	10	Jan., '67. 5
Fulton.....	10	10	10	10	10	10	10	Nov., '68. 5
Gallatin.....	7	6½	6	8	10	10	10	Oct., '68. 5
Greenwich.....	12	12	12	12	12	12	..	April, '68. 6
Grocers'.....	7	7	7	8	10	10	10	Jan., '67. 5
Hanover.....	7	6½	6	6½	9	11	12	Jan., '67. 6
Imp. and Traders.....	8	7	6½	7½	8	10	9	Jan., '67. 4 & 2½-10x.
Irving.....	7	6	..	8½	8	6	..	Jan., '67. 5
Leather Manufact'rs.....	10	10	10	10	10	10	11	Feb., '67. 2
Manhattan.....	10	9	8	10	10	10	10	Feb., '67. 5
Manufacturers.....	5	10	10	7	8	9	10	Oct., '68. 5
Manuf. & Merchants.....	..	..	6	8	10	10	10	Jan., '67. 5
Marine.....	6	3½	7	9	12	16	12	Jan., '67. 6
Market.....	7	6½	6	7	8	11	10	Jan., '67. 5
Mechanics'.....	8	7½	7	7½	9	15	10	Jan., '67. 5
Mechanics' B. Assoc.....	7	7	7	7½	8	10	10	Jan., '67. 5
Mechanics & Traders.....	8	7	7	10	10	10	10	Jan., '67. 5
Mercantile.....	10	9	8	10	10	10	10	Nov., '68. 5
Merchants'.....	7	6½	6½	7	9	10	10	Dec., '68. 5
Mercha's' Exchange.....	7	6½	6	6½	7½	9	10	Jan., '67. 5
Metropolitan.....	8	7	6	11	9	15	12	Jan., '67. 6
Nassau.....	7	6	6½	7	8	10	10	Jan., '67. 5
New York.....	6	6	6	7½	10	10	10	Jan., '67. 5
New York County.....	7	6½	6	8½	11	16	..	Jan., '67. 9
New York Exchange.....	9	7	7	14	61	9	12	Jan., '67. 6
Ninth National.....	..	..	..	..	10	11	..	Jan., '67. 6
North America.....	7	7	6½	7½	8	15	10	Jan., '67. 5
North River.....	7	6½	3½	7	8½	11	10	Jan., '67. 5
Ocean.....	7	6½	..	6	8	8	10	Jan., '67. 5
Oriental.....	7	6½	6	6½	7½	10	10	Feb., '67. 5
Pacific.....	10	10	10	10	15	20	10	Aug., '68. 5
Park.....	8	8	8	9	20	22	14	Jan., '67. 7
People's.....	7	7	7	7	8	9	10	Jan., '67. 5
Phoenix.....	7	7	6	7	8	10	8	Jan., '67. 5
Republic.....	10	9	..	7½	8	10	13	Feb., '67. 5
St. Nicholas.....	6½	..	3½	7½	8	10	10	Feb., '67. 5
Seventh Ward.....	10	10	10	..	..	..	10	Jan., '67. 5
Second National.....	..	..	..	..	5	10	10	Nov., '68. 5
Shoe and Leather.....	8	8	8	8	8	8	10	Jan., '67. 5
Sixth National.....	..	..	..	..	5	12	12	Nov., '68. 6
State of New York.....	7	6	6½	7½	10	10	10	Nov., '68. 5
Tenth National.....	..	..	..	..	..	10	10	Jan., '67. 5
Third National.....	..	..	..	..	5	9	10	Jan., '67. 5
Tradesmen's.....	8	7	6½	7½	11	16	15	Jan., '67. 7½
Union.....	6	6	7	9	10	10	10	Nov., '68. 5

BOSTON BANK DIVIDENDS.

Banks.	Capital, January, 1866.	Dividends.						Price.	
		1864.		1865.		1866.		Jan., 1866.	Jan., 1867.
		Apr.	Oct.	Apr.	Oct.	Apr.	Oct.		
Atlantic National.....	\$750,000	3	4	4	5	5	5	105	119
Atlas National.....	1,000,000	4	4	10	5	5	5	104	113
Blackstone National.....	1,000,000	5	5	5	5	5	5	115	128
Boston National.....	750,000	3	4	4	4	5	5	102	110
(Old) Boston Nat. par 50.....	900,000	4	4	4	20	5	6	69½	66
Boylston National.....	500,000	5	5	5	6	6	6	125	126
Broadway National.....	300,000	4	4	4	5	5	5	100	105
City (National).....	1,000,000	4	4	4	4	4	4	103	110
Columbian National.....	1,000,000	3½	3½	3½	15	5	5	107	116
Commerce (Nat. Bank of).....	2,000,000	4	4	5	5	5	5	110	116½
Continental National.....	500,000	4	5	6	5	5	5	102	120
Eagle (National).....	1,000,000	4	4	4	9	5	5	110	118
Elliot National.....	1,000,000	4	4½	5	5	5	5	108	117½
Everett (National).....	300,000	New						3	3
Exchange (National).....	1,000,000	5	5	5	6	6	6	129	140½
Faneuil Hall National.....	1,000,000	5	5	5	5	5	5	118	126
First National.....	1,000,000	5	5	6	6	6	6	132	152
Freeman's National.....	400,000	4	4	4	25	5	5	110	131
Globe National.....	1,000,000	4	4	20	12	5	5	120	130
Hamilton National.....	750,000	8	6	0	7	6	6	116	123
Hide and Leather (Nat.).....	1,000,000	4	5	5	6	7	7	127	141
Howard National.....	750,000	4	4	4	5	5	5	100	106
Market National.....	800,000	4	20	4	4	4	4	102	109
Massachusetts National.....	800,000	4	4	10	5	5	5	107	115
Maverick National.....	400,000	3½	3½	5	5	4	4	100½	104
Mechanics' National.....	250,000	4	4	4	5	5	5	108	110
Merchants' National.....	3,900,000	3½	4	5	5	5	5	110	117
Mount Vernon National.....	200,000	4	4½	10	5	5	5	100	117
New England National.....	1,000,000	4	5	5	5	5	5	115	123½
North National.....	1,000,000	3	4	5	5	5	5	100½	112
N'th America (Nat. Bk. of).....	1,000,000	3½	3½	22½	4½	4½	4½	100	107
Pawners' (d. July & Jan.).....	100,000	3	3½	4	4	4	3½	99	98
Redemption National.....	1,000,000	—	—	4	4	4	4	100	110½
Republic (Nat. B'k of the).....	1,000,000	4½	4	5	5	5	5	112	127
Revere (National).....	1,000,000	4	4	20	6	6	6	119½	121
Second National.....	1,000,000	4	5	7½	7½	7½	7½	123	150
Shawmut National.....	750,000	4	4	4	5	5	5	109½	123
Shoe & Leather National.....	1,000,000	5	6	5	6	6	6	127	122
State National.....	2,000,000	3½	15½	4	4	4	4	103	110
Suffolk National.....	1,800,000	5	5	0	5	4	4	116½	116
Third National.....	200,000 (new)	8½	8½	4	4	4	4	100	111
Traders' National.....	600,000	3	3	3½	3½	3½	3½	98	100½
Tremont National.....	2,000,000	4	4½	4	5	5	5	110½	119
Union (National).....	1,000,000	10	4	4	10	5	5	112	122
Washington National.....	750,000	4	4	6	6	5	6	112	120½
Webster (National).....	1,000,000	4	4	8	5	5	4	108	107.

REPORT OF JAMES W. TAYLOR TO SECRETARY M'CULLOCH.

(Continued from page 221.)

The gold veins of Virginia extend through Fairfax, Prince William, Fauquier, Culpeper, Orange, Spottsylvania, Louisa, Fluvana, Goochland, Buckingham, and a few adjoining counties.

In 1837 Professor Benjamin Silliman published (Journal of Science, first series, vol. 32, p. 98) the results of a personal examination of mines in the vicinity of Fredericksburg, of which a brief summary will be given. He describes the gold-bearing quartz as embedded in talcose and mica slate, principally the latter. In far the greater number of cases the eye

* Columbia, 3 per cent. in gold, April, 1866. + North America, 25 per cent. in stock, no cash dividend, April, 1868. † State, par 100, since May; previously, 60. § Third National, for first ten months. Pawners' Bank, surplus over 8 per cent given at once.

detects nothing but quartz, or sometimes metallic sulphurets of iron, zinc, or lead, and the observer, unless previously instructed, would never suspect the presence of gold, either distinct or in the metallic sulphurets. In the vicinity of the quartz veins rich washings occur. In Spottsylvania county, on a branch near the Whitehall mine, \$10,000 was taken in a few days from a space twenty feet square, and \$7,000 was found near Tinder's mine, in Louisa county in the course of one week. It often happened that successful alluvial mining preceded the discovery of vein mines. Of the latter several are described.

1. *Busty's Mine*, situated fifty miles from Richmond and fifty-three miles from Fredericksburg, in solid quartz veins, fifteen to eighteen inches thick, at depth of twenty-two feet; structure of vein coarsely granular, like loaf sugar, free from foreign matter except inherent gold, and so white that even when pulverized it showed no tint of color; yield on one trial \$80 per ton; on another trial \$240 per ton.

2. *Moss mine*, near the above; situated in decomposed slate-rock; surface of vein little else than red clay, but firmer, and stratified below; inclination of rock and included quartz vein about 45°; direction by compass north by east, and south by west; diameter of vein sixteen, eighteen, twenty-four, twenty-seven, and thirty inches, averaging twenty-four inches; quartz laminar, easily broken and separated from slate by blasting, but showing no signs of gold, though examined by a magnifier; three tests returned \$100, \$140, and \$200 per ton, yet in neither case was gold visible in quartz or ore.

3. *Walton Mine*, situated in Louisa county, forty miles southwest of Fredericksburg; quartz vein firm and compact; one foot wide; occasionally porous and interspersed with iron pyrites and a dark iron ore, probably proceeding from their decomposition; penetrated by two shafts of seventy and forty feet; first trial of pour ore, \$80; second trial of average ore, \$160; third trial of ore taken at random, \$400; fourth trial of specimen, showing gold to the naked eye, \$2,660 per ton; average of the series of assays, \$820 per ton.

4. *Culpepper Mine*, situated eighteen miles west of Fredericksburg, upon the Rapidan; a tract of 524 acres; hydraulic power for a twenty-stamp mill; four adits with connecting shafts; main vein ten feet wide, but prone to divide into strings not larger than a finger, nearly parallel and separated only by portions of the slaty rock; gold more abundant in these strings than in larger veins; much iron accompanying the ore; pulverized quartz always red or brown; iron pyrites in some places fresh and brilliant, else where decomposed; strata nearly perpendicular; specimens from fourteen localities, mixed together, returned \$30 per ton; specimen from a vein considered rich, but showing no sign of gold, gave \$90 per ton.

In the following paragraph, Professor Silliman only anticipates the experience of miners at this day:

"Gold is often found in pyritical ores in which the gold is embedded in fine particles. This mass when reduced to fine powder gives a residuum of oxidized iron about equal in weight to the fine gold, the latter being malleable or flattened, while the former, being brittle, remains rounded or angular. In washing this mixture in the pan the gold generally remains on the upper side of the mass, and is therefore more liable to be washed off by the slightest ripple of the water. On the other hand,

when the gold is embedded in quartz ores, especially those with fine fractures, called in Virginia 'sugar ore,' or more properly granular quartz, the gold being of a similar form, is more quickly disengaged, and appears in larger grains.

"On the contrary, the ferruginous grains, or iron sand, are so fine as to be scarcely visible, and are invariably found at the bottom of the mass or residuum, and therefore, as well as on account of their greater weight, are much less liable to be carried off by the ripple of the waters."

Several successful instances of alluvial mining near the Rapidan are also mentioned; on a Hempstead farm, \$4,000 in 1831-'32, of which nearly \$3,000 in sixty days; another instance two or three miles from Rapidan, \$12,000; a third, \$40,000; all in the vicinity of the Culpepper mine.

The most remarkable of the foregoing statements relate to the assays of ores from the Walton Mine. Prof. Rogers, of the University of Virginia, inspected this mine in 1836, and ascertained that in the lower adit leading from the main shaft, the auriferous vein was twelve inches in width, and that the talcose rock underlying the vein was also auriferous to a distance of six inches, and sometimes more, from the quartz. He also observed the continued yield from the quartz, and the uniform dissemination of the gold throughout the vein, and the lower enclosing rock. An assay of Professor Rogers returned \$280 per ton.

A writer in Harper's Monthly Magazine for December, 1865, describes the gold mines in the vicinity of Richmond; having previously given some general information of the conditions under which gold has been discovered and mined. "Sienite, gneiss, greenstone, and porphyry," he says, "appear to be the primary sources, and the pyrites are evidently the immediate matrix of gold. All iron pyrites contain gold, and often silver, only excepting those of the coal formation; and the extensive gold deposits of Virginia may be said to be literally one continuous belt or accumulation of veins of iron pyrites.

"Most of the gold-bearing rock which has hitherto been enmined in Virginia is principally a kind of talcose slate, somewhat resembling soapstone, but not so greasy to the touch. This slate is red and ferruginous at the surface, but at a greater depth is filled with small crystals of iron pyrites which are decomposed near the surface and appear as peroxyd of iron, giving the slate a brown or yellow tinge. This slate is a metamorphic rock, and runs in a regular belt parallel with the Alleghany mountain chain.

"The gold found in the State of Virginia occurs in exceedingly small grains, often so fine as to be not only invisible to the naked eye, but undiscernible even by the assistance of a strong lens. This is the case even when the ores are worth three or four dollars per bushel. Some veins of the slate region contain coarse gold in grains as large as the head of a pin, and even larger. These are generally found in veins of quartz in which the pyrites are concentrated into larger masses. Where the pyrites are disseminated in fine crystals through the mass of the rock, the gold is found to be very fine. In the first pyrites the gold is often invisible, even if after separation it appears to be coarse. By natural or artificial decomposition the gold becomes visible, the pyrites are converted into oxyd of iron, and, by aid of a lens, the gold can be detected embedded

in the oxyd of iron. Another form in which the native gold is not unfrequently found in Virginia is in quartz, in which it is embedded. Solid white quartz, both in veins and in crystals, is found, in which the gold appears in spangles, plates, grains, and also in perfectly developed crystals. Throughout the gold regions of Virginia copper pyrites are found in all the metallic deposits. It invariably accompanies the gold-bearing iron pyrites, and is always considered a good indication of richness. Cases have often occurred in which the largest amount of treasure has been abandoned, because the miners had not the knowledge of proper appliances for separating the precious yield of gold and copper."

The writer of the article here quoted proceeds to give many interesting details of the gold mines of Goodbland, Buckingham, and Fluvanna counties. Among these are the Belzoro mine, developing seven veins, which vary in width from two feet six inches to thirty feet; Marks mine, with four gold-bearing quartz veins; Waller mine, vein of brown oxyd of iron, six feet thick; Tellurium mine, sold in 1848 to Commodore Stockton, who is reported to have extracted \$250,000 in nine years; Snead gold mine, of three viens, one of them being four feet wide, and composed of white quartz, which contains argentiferous galena, copper sulphates, and gold; Ford mine, revealing copper pyrites largely; and Lightfoot mine, with four well known and very rich veins; all of which have been worked successfully at different periods since 1828.

The mineral wealth of Virginia in other respects is unsurpassed by Pennsylvania or any part of the Union.

NORTH CAROLINA.

The gold district of North Carolina extends from northeast to southwest in the general direction of its leading counties, namely: Guilford, Randolph, Davidson, Rowan Stanly, Cabarrus, Mecklenburg, and Union.

In 1825 Professor Denison Olmstead designated as the district within which alluvial mining was prosecuted, the counties of Montgomery and Anson, and the eastern portions of Mecklenburg and Cabarrus as then organized. Gold was first discovered in a "thin stratum of gravel enclosed in a dense clay, usually of a pale blue, but sometimes of a yellow color." This description is easily recognizable as the detritus of the gold bearing rock afterwards discovered further to the west. Many facts of the early success of placer mining on the tributaries of the Pedee might be adduced, but it must suffice in this connection, to repeat from Wheeler's History of North Carolina an enumeration of the nuggets which have been obtained since the first discovery in 1799:

Years.	Pounds.	Years.	Pounds.
1799.....	4	1826.....	16
1802.....	28	1826.....	9½
1804.....	9	1826.....	8
1804.....	7	1835.....	12½
1804.....	3	1835.....	4½
1804.....	2	1835.....	5
1804.....	1½	1835.....	8

No more intelligible account of the placers of North Carolina exist than the communication of Professor Olmstead in 1825, from which a few

paragraphs will be given. After describing the gold-bearing alluvium as "gravel enclosed in pale blue or yellow clay," he adds: "On ground that is elevated and exposed to be washed by rains, this stratum frequently appears at the surface, and in low grounds, where the alluvial earth has been accumulated by the same agent, it is found at the depth of eight feet; but where no cause operates to alter its original depth it lies about three feet below the surface. A miner sometimes meets a stratum of the ferruginous oxide of manganese in a rotten, friable state. In some instances the clay is deep red."

Very soon, however, these gold deposits were traced to the auriferous lodes traversing a belt of talcose, micaceous, chloritic, and hornblende slates, which passes through several counties on the east side of another belt of granite and west of one of trap. These veins, as early as 1828, were described as follows by Charles E. Rothe, a miner and mineralogist from Saxony: "They occur in greenstone formation often from two to four feet in thickness and a mile or more in length, which give assurance that they sink to a considerable depth. Their general direction is east and west, dipping occasionally 40° to 50° north. The ores and minerals in these veins are rhomboidal iron ore, prismatic iron ore, pyramidal copper pyrites, and prismatic iron pyrites. In the last two is a mechanical mixture with each other. They show distinct signs of having been changed from their original form. Where the atmosphere could have any influence on the pyrites we find that one part of the sulphur has escaped, the consequence which is, the metallic appearance of the pyrites is changed to that of brown-reddish oxide of iron, and owing to this color we can see the fine particles of gold, and ascertain the richness of the deposit. But where the pyrites have not undergone this change, then the gold cannot be discovered, owing to the color being nearly the same. The greenstone near the vein is most generally decomposed, and mixed with a great number of loose crystals of prismatic iron pyrites. Between the greenstone and the vein, or at the place of junction, the gold is most generally found."

The gold district of North Carolina is the second belt of the table-land, its positions moderately elevated, and it is very seldom that the highest hills of Davidson, Randolph, Rowan, Cabarrus, and Mecklenburg counties are traversed by vein fissures.

In 1856 a report by Ebenezer Emmons, upon the geology of the mid-land counties of North Carolina, was published, which gives a detailed description of thirty mining localities. Abstracts of his observations upon the leading mines of Guilford, Randolph, Davidson, Rowan, Stanly, Cabarrus, Mecklenburg, and Union counties will best illustrate the characteristics of the auriferous belt through the State. The order in which these counties are named coincides with their geographical position, commencing on the north:

1. *McCulloch Mine*, in Guilford County, brown or desulphurized ore, to a depth of one hundred and thirty feet; vein two feet wide at surface, increasing to twenty-four feet, with a dip at angle of forty-five degrees; brown ore, soft and easily crushed, yielding \$30 to \$40 per ton, and sometimes \$100; at level of one hundred and thirty feet, there are six inches brown ore on foot-wall, then copper pyrites, then a belt of brown ore containing nodules or concretions of pyrites more or less changed the middle

of which is rich in gold, and then the principal mass of porous quartz against hanging wall, which, though sometimes showing films of gold, is usually poor; wall rock, sienitic granite.

2. *Fisher Hill*, in Randolph County; veinstone quartz, with white sulphuret of iron mixed irregularly through it; free from copper pyrites; burnt to advantage; two to four feet wide near surface; brittle, and when burnt easily pulverized; average sixty dollars per ton, and gold worth ninety cents to pennyweight.

3. *Conrad Hill*, in Davidson County, six miles east of Lexington Court-House; situated eighty-eight feet above plain to the south; five gold-bearing veins from eighteen inches to two feet at surface; third vein fifteen inches at surface, widening to eighteen feet at depth of one hundred feet, and finally developing sulphurets of iron and copper rich in gold; only four feet rich in gold; wall-rock talcose slate, but adjacent country traversed by trap.

4. *Gold Hill*, on southern border of Rowan County; product to 1856, \$2,000,000; three strong and well-defined veins, one mile east of granitic belt; angle of dip 80°; strata undisturbed by eruptive rocks; veins associated with sulphurets of iron and copper; Earhardt vein worked 400 feet, expanding from six inches to seven feet, a succession of lenticular segments overlapping at their edges; chief difficulties, fineness of gold and heavy sulphurets; if sand saved and exposed for a year the sulphurets are decomposed and metal liberated; in 1854 \$136,636 76 obtained in thirteen months from Gold Hill, expenses \$60,331 06, profit \$76,305.

5. *Parker Mine*, in Stanly County; most productive parts of rock are natural joints or quartz seams; pieces in proximity to natural joints sometimes weighing a pound; "not a vein, but a decomposed mass with gold distributed in seams;" has produced \$200,000; some masses at rate of eighty to one hundred dollars per ton.

6. *Reed Mine*, in Cabarrus County; productive alluvial mining, as already stated; a vein at depth of ninety feet yields twenty-two dollars per ton. A Phoenix mine, in Cabarrus, was rich to 140 feet, twenty to sixty dollars per ton; but at that level white quartz and sulphate of barytes replaced the brown ore, reducing yield to five dollars per ton. The Pioneer mine, also in Cabarrus, is a fissure in granite sixteen to seventeen feet wide, but true veinstone eight to ten inches; gold in pure quartz mixed with sulphurets; yield sixty-three dollars per ton.

7. *Howie and Lawson Mine*, in Union County, near the line of South Carolina; fine, white, and granular quartz which near contact with slate-wall rock is mottled with brown oxide of iron; on this surface gold visible; width of vein six to thirty inches; average sixty dollars per ton; some specimens two hundred and twenty dollars; traced three-quarters of a mile; sold in 1856 to Commodore Stockton.

8. *Rudisill's Mine*, near Charlotte, Mecklenburg County; three veins, three or four feet wide; gangue slaty, with stripes of quartz and copper pyrites, yielding twenty dollars per ton; quartz brittle and readily crushed; "arrangement of ore in the lode is usually in rich bunches, connected by strings." *Dunn Mine*, seven miles from Charlotte, remarkable for limonite produced from iron pyrites, but unproductive of gold. The gold in the vicinity of Charlotte is worth one dollar the pennyweight.

Copper mining has also received attention in North Carolina—the most

persistent and prosperous enterprise of the kind being in Guilford County. The "Washington silver mine," in Davidson County, produces a great variety of metals in association with silver, which are difficult to treat metallurgically; but the attempt will doubtless be resumed with the aid of improved methods of amalgamation.

The mineral wealth of North Carolina is by no means confined to the eastern slope of the Blue Ridge. West of that range, between the Snowy Mountain and the Blue Ridge, and its transverse from the upper waters of the French Broad River to the Lookout Mountain, containing 5,000 square miles, there is a field presented to the mineralogist not perhaps equalled for extent and interest in the United States. Smoky Mountain constitutes the line between primitive and transition rocks, and its acclivities are steep and broken, developing familiar auriferous combinations. Gold has been taken from all its streams; and where the spurs and belts of this mountain have been cut by denudation, veins and quartz running with talcose slate are very apparent. Gold is often found in quartz rock, out of place, and much decomposed. Coco creek is a very rich deposit. Rumors of silver deposits were current in the army during the late military campaigns. This remote interior district will amply reward exploration.

SOUTH CAROLINA.

The auriferous belt already traced from Fredericksburg to Charlotte extends to the vicinity of Abbeville, in South Carolina—more restricted in width, but with indications of greater richness.

Mines of Mr. William Dorne, in the Abbeville and Edgefield districts, yielded gold of the value of \$300,000 in fifteen months preceding July, 1853. The ore was highly ferruginous and silicious, and the gold was found among the layers of the vein in streaks and pockets of extraordinary richness. It was supposed to have been exhausted; but during 1866 work was resumed with satisfactory results.

Professor Lieber, State geologist of South Carolina, has reported that the most auriferous rocks are clay and talcose slates, catawberite, (a compound of talc and magnetic iron,) specular iron, schist and itaberite. None of the later formed rocks contain gold, and the mica slates, and other older formations contain comparatively little. This is in accordance with the views of Murchison, already referred to, who refers the position of gold universally to veins in altered silurian slates, chiefly lower silurian, and most frequently near their junction with eruptive rocks.

The first mint deposits from South Carolina were \$3,500 in 1829; the aggregate of such deposits to June 30, 1866, was \$1,353,663 98.

GEORGIA.

The width of the gold range through the Southern States is not yet defined. If narrower in South Carolina, it is wider in Georgia than elsewhere. A line crosses the State from Augusta on the Savannah, by Macon on the Ocmulgee, to Columbus on the Chattahoochee, north of which is a platform of granitic and palæozoic rocks, which stretches to the Alleghanies, within which gold occurs in almost every county. Near this southern limit a gold mine has been worked in Columbia County, not far from Augusta, which has been continuously productive for eighteen years.

But with this breadth to the general auriferous formation, there is evidence of two belts, which are separated by unproductive metamorphic rocks. Probably the district of Georgia and Alabama, which is most distinctly and remarkably gold-bearing, is from latitude 34° to 35° and between longitude 83° and 86° .

Gold was first discovered in Habersham County about 1831. It was followed by numerous developments along a line of hornblende slate from Alabama, northeast through Cass, Cherokee, Hall, and Hart counties, and extending to the Blue Ridge. Within this limit are the productive counties of Gilmer, Lumpkin, Habersham and Rayburn.

A mint was established at Dahlonega, in Lumpkin County, in 1837, which has received \$600,000 in a single year, with an aggregate coinage to February 28, 1861, of \$6,121,919. Of this amount, \$5,825,747 was received during the period from 1838 to 1857.

Placer mining has been prosecuted in northern Georgia in a manner and with a success not unlike the experience of California. Besides the true veins, which traverse the strata in which they lie in various angles of dip and direction, there are many depositories of gold in all directions around Dahlonega, which are auriferous beds of slates, often decomposed, and sometimes containing pyrites, and the gossan resulting from its decomposition. In Lumpkin and Habersham counties especially, these metalliferous beds have been worked like open quarries, and the gold, in some instances, has been collected with the rocker or the pan, without recourse to crushing; worked, in fact, like deposit mines. They contain rich nests and fine gold, most unequally diffused through the different layers among the slates; some are perfectly barren, in immediate contact with other streaks that may yield many dollars to the hundred-weight of material; but they are so intimately mixed that all must be treated alike when worked on the large scale. The immense quantities in which these materials are obtained, and the ease with which they are quarried, sometimes render it an object to work them, though their yield is, on the whole, very small. These conditions are very favorable to the application of hydraulic mining, as carried to perfection in California.*

Waiving further details, the following general observations may accompany this brief review of the Alleghany gold mines:

1. There is yet much room for the vigorous and intelligent prosecution of alluvial mining. Especially in Georgia, where the country is abrupt and nature has subjected the auriferous rocks to much dislocation and atmospheric exposure, not only the beds of the rivers, but the adjacent detritus of their valleys, will unquestionably give large returns to the new and powerful methods for washing ponderous masses of earth. It is understood that companies are now organized, who propose to introduce these

* See article "Gold," in Appleton's American Cyclopædia. The writer, who refers to his personal experience in Georgia mines, adds that when the ores are not pyritiferous, and there are facilities for stamping such as are used in cement mining by Californians, these materials can be profitably worked, when only producing eighty cents or one dollar per ton, or 1.8 part in \$1,000,000; but, of course, where the material is hard quartz, and more especially if it is pyritiferous, the expense of working would be more than quadruple. Prof. W. P. Blake in 1857 published a pamphlet, advising the improved methods of sluice-washing for use in Georgia.

hydraulic appliances upon the Chestatee and other tributaries of the Chattahoochee River.

2. There is abundant evidence also that the upper portions of auriferous lodes have been in a remarkable degree desulphurized, and may be worked to a considerable depth with great advantage before the intrusion of what is called "cap" in Colorado, or before the main body of the vein becomes obstinately pyritiferous. Surface quartz mining, if the phrase is admissible, will warrant considerable investments, whatever subsequent experience shall demonstrate in regard to the refractory sulphurets. It may be admitted that, hitherto, a quartz so modified in chemical constitution as to be "honey-combed," having become cellular and brittle from the decomposition of pyrites, with the gold set free from its matrix, is the only material which it is profitable to reduce; but the testimony is ample that immense quantities of ore in this favorable situation are accessible in the Alleghany gold district.

3. There are no grounds for the opinion that the auriferous lodes, strongly marked as they are by native sulphurets, will not prove true fissure veins, improving in quantity and quality with their depth. Professor Frederick Overman, in a work entitled "Practical Mineralogy," published in 1851, claims that the pyritous veins of Virginia and other south Atlantic States will be more sure and lasting than the gold-bearing localities of California. If the lower beds of Colorado mines can be raised and reduced with profit, deep sinking will be equally successful in the Carolinas.

NEW HAMPSHIRE AND OTHER LOCALITIES.

In the townships of Franconia and Lisbon, lying immediately north of Mount Washington on the lower Ammonoosuc River, gold has recently been discovered in quartz rock, and a shaft sunk by a company of Boston capitalists to the depth of seventy-five feet. A correspondent of the *American Exchange and Review*, a monthly publication of Philadelphia, describes the gold-bearing quartz as traversing talcose slate, and containing sulphurets of iron and copper and seams of magnetic iron. Some extraordinary statements of recent assays from this locality have been published—one by Dr. Hays, State Assayer of Massachusetts, at \$867 of gold per ton, and another specimen of mixed quartz talcose slate, gossan, pyrites, &c., at \$312 42 per ton. In the adjacent township of Waterford, surface quartz yielded \$30 per ton; quartz taken at nineteen feet below the surface \$45. Gulch mining has been successfully prosecuted in the vicinity.

If the New Hampshire discovery should warrant investments, there may be a renewal of exploration and experiment in Vermont, where the Appalachian mountain system is likewise largely developed.

During the year 1863 lodes of argentiferous galena were traced in the vicinity of Marquette, on Lake Superior. This district is from ten to twenty feet in breadth and about fifty miles in length, and is situated between the schistose or iron range and Lake Superior. Assays reveal from ten to thirty pounds of silver to the ton of metal. In the same vicinity east of Marquette the Huron mountains were reported in 1864 to be gold-bearing; but the rumors have led to no practical results.

A geological exploration of Arkansas undertaken a few years since indicated the probability of profitable mining for silver, and perhaps gold, in the Ozark Mountain = of that State.

A district of Alabama, in the northeastern portion of the State, is a well defined extension of the Appalachian gold field. Its production of gold deposited in the United States mint and branches has amounted to \$201,734 83, with an equal amount probably diverted to commercial channels.

METALLURGICAL TREATMENT OF GOLD ORES.

A few general suggestions on the treatment of gold ores, and more particularly the auriferous sulphurets so prevalent in the formations east of the Rocky Mountains, are submitted.

The direct method of attacking these ores is by *fire*, as is always done by the assayer in his laboratory, when he wishes to extract from a sample of ore all the metal which it contains. Undoubtedly, when the cost of fuel, fluxes, and labor is reduced to something near the standard which prevails in the seaboard States, the richer ores of Colorado, Montana, etc., will be reduced by smelting. At present, however, there is reason to believe that the proper economic conditions for smelting do not exist, except possibly in the case of argentiferous galena; although experiments recently made at Swansea, England, upon large quantities of pyritic ores sent from Colorado have proved entirely successful. In conducting these experiments, and estimating their cost, care was taken to make the conditions as to fuel, fluxes, labor, etc., the same as those existing in Colorado. It is stated that smelting works upon a large scale, upon the Swansea plan, are to be started immediately in Colorado. If this should be done, there will ensue a subdivision of labor in the business of mining gold and silver, as is now the case in iron mining. The miner will limit his efforts to the rising of ore from his mine, and the smelting furnace will afford a market where the ore will command its price. This will be better for the parties than the method hitherto pursued of raising and reducing ores under one administration.

But it will be a long time before the great mining regions of the Rocky Mountains will have a sufficient number of smelting works to meet the wants of our enterprising miners, who are constantly prospecting new fields; and there will always be a class of ores too poor to bear the cost of smelting.

The cheaper process of amalgamation, now universally employed in all our mining districts (and, when no sulphurets are present, the very best process), will continue to be very generally resorted to. This process consists in reducing the ore to a fine powder by means of stamps, arastras, Chilian mills, or other mechanical contrivances, and subjecting it to a continuous agitation with mercury, with water enough to give a party consistency to the mass, the object being to expose as fully as possible the fine particles of gold and silver to the attractive power of the mercury, with which they form an *amalgam* easily separable by subsidence in the lighter pulp of earthly matter of which the ore consists. The amalgam thus obtained, on being subjected to moderate heat in an iron retort, gives up its mercury, which passes over in vapor, and is condensed again in another vessel, the metal being left in the retort.

In the case of pyritic ores, however, it is found that the process of amalgamation is seriously retarded by the impurities with which the gold and

silver are associated. Probably the ores of Colorado do not yield, by simple amalgamation, an average of twenty per cent. of their assay value. A previous process of desulphurization is, therefore, indispensable; and how best to accomplish this is the problem which has occupied the attention of metallurgists for many years. Many methods have been advised, the majority of which, being merely empirical, have had but an ephemeral reputation.

As already intimated further details are reserved for a subsequent occasion, when an effort will be made to describe the various processes now in course of experiment.

The treatment of silver ores rests upon a far more satisfactory basis of chemical experience, and the different methods in successful use are clearly and accurately compiled in the last edition of Ure's Dictionary of Arts, Manufactures and Mines.

TREASURE PRODUCT OF THE WORLD.

When America was discovered the gold and silver supply of Europe did not exceed \$200,000,000, of which \$80,000,000 was gold and \$140,000,000 was silver. According to the estimates of Humboldt sixty years elapsed before this aggregate of two hundred millions was doubled by the treasure product of America.

M. Chevalier estimates that the total amount of gold and silver in 1848, the epoch of the California discovery, was \$8,500,000,000, of which one-third was gold. It will require thirty-two years, or from 1848 to 1880, to duplicate the supply, even if \$350,000,000 is assumed to be the average annual production of gold and silver during that period.

We have the authority of Adam Smith that it was not until after 1570 that the increased supply from the American mines produced any appreciable effect upon prices. In 1550, or twenty years previously, the treasure stock of Europe had been doubled; and in 1570 it reached an aggregate of \$600,000,000. To this point the product of the American mines was absorbed by the new demands of commerce. It was only until 1620, or fifty years later, with a further addition of \$600,000,000 to the stock of money in circulation, that silver fell to about one-third of its former value, with a corresponding appreciation of prices. In these statements full allowance is made for the consumption of the precious metals by casualties, abrasion, and the arts.

Whatever may be said of the great social and commercial activities of the sixteenth century, the development of human industry and intelligence in the nineteenth century will prove far more effective for the absorption of the vast quantity of gold and silver now or hereafter produced.

The world in the sixteenth century received and assimilated three-fold the treasure supply of 1492 without material change of prices, which was postponed fifty years later, until a six-fold supply, or an aggregate of \$1,200,000,000, had been applied to commercial uses. Then was observed a reduction to one third of the former value value of silver. If we compare the experience of the world since 1848, the stock of specie in that year of \$8,500,000,000 will be doubled in 1880, without any other effect than to vitiate commerce; and \$100,000,000 per annum can still

be absorbed by the trade and intercourse of all the continents for twenty years thereafter, or until A. D. 1900, before the monetary situation will correspond with that of Europe in 1570, when the first effect upon the exchangeable value of money is recorded.

We are assisted, by the experience of the sixteenth century, to the conclusion that an aggregate of \$25,000,000,000 in the year 1900 will hold a similar relation to the trade and intercourse of mankind that the amount of \$8,500,000,000 sustained to the population and commerce of the world in 1848. If, as early in the next century as 1920, the stock on hand should be increased six-fold, reaching a total of \$50,000,000,000, it might be attended, as in 1620, by a sensible reduction in the exchangeable value of money; but this contingency is too remote and capable of satisfactory compensation to justify much solicitude in behalf of posterity.

There are indications that the large excess in the production of gold over the silver, which, since 1848, has reversed the former relations of these metals, may be less marked in future. The vast quantities of gold produced since 1848 are mostly from placers—from the detritus of auriferous rocks. These surface mines are soon exhausted. In California, notwithstanding the skillful application of hydraulic power, the production of gold by gulch or placer mining has diminished from \$60,000,000 in 1853 to \$20,000,000 in 1866. Except for new discoveries, and some successful enterprises of quartz mining, the Australian supply of gold would have likewise diminished. Very few diggings hold a mining population longer than a single season. The "dust of gold" is soon gathered. It may be admitted that Australia, Siberia, perhaps the sources of the Zambesi and the Nile in Africa, and northwest British America will, when further explored, reveal a great many districts where the surface deposits are rich and accessible; but each will be in turn a scene of great excitement and of rapid exhaustion, and, perhaps, before the close of the present century alluvial gold mining will be almost a tradition. This tendency is so apparent in every gold-producing community that public attention turns constantly, and with solicitude, to the separation of gold from its native matrix of rock as the only permanent means of production. But at that stage silver mining comes into successful competition with all existing methods for the reduction of auriferous rock. It has always been more profitable to work mines of silver than of gold, of which Mexico, during two centuries of experience, and the Pacific coast, during two decades, are illustrations.

There was very little mention of silver while the discovery and conquest of America were in progress. Among the vast mineral treasures of Montezuma, the quantity of silver was small compared with gold. It was "El Dorado" which was eagerly sought for by European explorers. Each country was ransacked, with the forced labor of Indian slaves, for gold. This was the era of placer-mining in the American dominions of Spain. In consequence of the importation of gold, Isabella of Castile was obliged, as early as 1497, to modify greatly the relations of gold and silver at the mints. The Spanish sovereigns acknowledged the grant by the pontiff, Alexander VI., of their discoveries "in India" by a donation of gold from Hayti. At length, however, after the discovery of the silver mines in Peru and Mexico, and when the experience of miners had elaborated a

systematic industry, gold ceased to be of much practical importance, and silver became the leading metallic product of Spanish America. Of the coinage of Mexico from 1535 to 1845, \$2,465,275,954 was of silver, and \$126,981,021 of gold. Except for Brazil, the proportion in South America would be fully equal to that recorded in Mexico.

In the case of California, after many unsuccessful experiments, the reduction of auriferous lodes has been established. The veinstones, when pulverized, readily release the gold; there is a remarkable absence of refractory alloys; all the conditions, especially in Grass Valley, are favorable. Yet the yield of gold does not exceed \$9,000,000 per annum, while on the eastern slope of the Sierra Nevada the annual production of silver, chiefly from the Comstock lode, amounts to \$16,000,000 per annum.

As the mining territories are explored, the discoveries of argentiferous veins are reported in all directions. The interior of the vast mountain mass develops in Sonora, Chihuahua, Arizona, Nevada, Utah, New Mexico, Colorado, Idaho and Montana, the identical formations and conditions which, in a lower latitude, characterize Durango, Zacatecas, Guanajuato and the other well-known silver districts of Mexico. With the exhaustion of the placers (perhaps a remote contingency) it is quite possible that the production of silver, as compared to gold, will be restored to the old ratio of three of silver to one of gold.

But at present, as well as for the last 18 years, the ratio of production is reversed—three of gold to one of silver. The following statement is submitted as an approximation, carefully avoiding exaggeration, of the quantities of the precious metals produced in 1866:

	Gold.	Silver.	Total.
United States.....	\$60,000,000	\$20,000,000	\$80,000,000
Mexico and South America.....	5,000,000	85,000,000	40,000,000
Australia.....	60,000,000	1,000,000	61,000,000
British America.....	5,000,000	500,000	5,500,000
Siberia.....	15,000,000	1,500,000	16,500,000
Elsewhere.....	5,000,000	2,000,000	7,000,000
	<hr/> \$150,000,000	<hr/> \$60,000,000	<hr/> \$210,000,000

The annual production of silver since 1853 has not exceeded \$50,000,000, or £10,000,000. Yet, within the period of 14 years—from 1853 to 1866—the sum of £11,250,000 has been annually transported from European ports (including shipments from Egypt) to Asia. The aggregates of bullion exports were as follows:

Gold.....	£24,773,647
Silver.....	157,424,757
Total.....	<hr/> £182,198,404

France alone, although the richest country of the world in the precious metals, has, since 1848, parted with \$165,947,253 of silver, and taken gold in exchange. This has resulted from a fall in the value of gold, as compared with silver, of $2\frac{1}{2}$ per cent., which, by comparison of the course of exchanges between England, using a gold standard, and Hamburg and Amsterdam, using a silver standard, is the only monetary result of the excess of gold supply since 1848. Europe and America will substitute

gold for silver as money, while Asia will probably continue to absorb silver for many years to come, before the ratio of currency to population now existing in Europe shall extend over the eastern world.

A brief statement will illustrate the extent of the oriental demand for the precious metals, which, now mostly confined to silver, will hereafter, or as soon as the world shall desire it, extend to gold. India, in 1857, had a circulating medium of \$400,000,000 for the use of a population of 180,000,000, or \$2 22 per capita. France has a population of 38,000,000, with a money supply of \$910,000,000, or \$24 per capita. Suppose China, Japan, and the other industrious populations of Asia to be in the situation of India, and that the current of bullion since 1853 has supplied the Asiatics with \$3 per capita, there yet remains a difference of \$21 per capita before the monetary level of France is attained, demanding a further supply of \$21 per capita over a population of 600,000,000, or not less than \$12,600,000,000.

The railway system will soon connect Europe and Asia, and constitutes a most important agency for the transfer of capital and distribution of money among the populations of the Eastern Continent. Since the suppression of the Indian mutiny, an English writer estimates that more than one hundred millions sterling have been added to the currency and reproductive capacity of India, mostly from England, in the construction of railroads and canals. There were 3,180 miles of railway in operation in 1865, having cost \$86,000 per mile, and having been constructed with the aid of a guaranty of 5 per cent. to stockholders by the province of India. The system, for which the government indorsement is already given, will be 4,917 miles of railway, at an estimated cost of £77,500,000. These roads will relieve the Government of liability when their earnings reach £25 per mile per week, a point which the leading lines have nearly reached, and which all are destined to attain. Such is the success of the Indian railways that their connection with Europe by the valley of the Euphrates, and their extension into China will probably be accomplished within the next ten years. By that time Russia will have undertaken a railway from Moscow to Peking, through southern Siberia—a great trunk line that would soon justify a series of southern lines, penetrating central Asia over those leading caravan routes which have been the avenues of Asiatic commerce for centuries.

If an investment of \$430,000,000 in 5,000 miles of railway is financially successful in Hindostan at this time, it may be anticipated that a population of 180,000,000 will warrant the enlargement of the system within the present century fully four-fold, which would be only a fifth of similar communications required and supported by a European or American community. Suppose such a ratio of railway construction extended over China, central and western Asia and Siberia, it would be only one mile for every 9,000 people; while in the United States there are 36,000 miles for 36,000,000 people, or a mile to every thousand; and yet the Asiatic ratio, moderate as it is, presents the startling result of 66,000 miles of railroad constructed by the expenditure of \$5,676,000,000. Such a disbursement of European accumulations in Asia would go far to diffuse not only the blessings of civilization, but any excess of production from the gold and silver mines of the world.

In Australia a railway has been constructed from Melbourne to the

Ballarat gold fields, 380 miles, at a cost of \$175,000 per mile, which pays a net profit nearly equal to the interest on the immense investment. It is difficult to estimate the amounts destined to be absorbed for railways in all the continents, under the direction of the great powers of the world—projected, constructed, and administered by the wealth and intelligence of America, Russia, England, Germany and France. But the railway system is but an instance, among many other causes, conducing, in the language of an eminent English writer,* “to augment the real wealth and resources of the world; to stimulate and foster trade, enterprise and production, and, therefore, conducing, with greater and greater force, to neutralize by extension of the surface to be covered, and by multiplying indefinitely the number and magnitude of the dealings to be carried on, the *a priori* tendency of an increase of metallic money to raise prices by mere force of enlarged volume. Already the boundaries within which capital and enterprise can be applied, with the assurance and knowledge alone compatible with durable success, have been extended over limits which ten or even five years ago would have been regarded as unattainable. There have come into play influences by which it seems to be the special purpose to contribute by the aid of the concurrent advance in knowledge, to the removal or mitigation of many chronic evils against which past generations have striven almost in vain.”

TRANSPORTATION FROM THE MISSOURI RIVER TO THE ROCKY MOUNTAINS.

While postponing a detailed consideration of the character and extent of trade and transportation from the Missouri River to the mining territories of the interior since 1848, some idea of the westward movement of merchandise and the cost of its transportation, may be obtained from the Quartermaster General's report to the Secretary of War for the year ending June 30, 1866, which exhibits the transportation on account of government, and the rates paid per hundred pounds per hundred miles. The rates from the Missouri river to northern Colorado, Nebraska, Dakota, Idaho, and Utah were \$1 45; to southern Colorado, Kansas, and New Mexico, \$1 38, with an addition from Fort Union in New Mexico to posts in that territory, in Arizona and western Texas of \$1 79 per hundred pounds per hundred miles. The total number of pounds transported was 81,489,321 or 40,774 6-10 tons, at a cost of \$3,314,495. Parties familiar with the course of this inland trade, estimate that the transportation on account of government is one-ninth the total amount of transportation. At this rate the whole amount paid in 1866 for freights from the Missouri River westward was \$30,830,055. According to a statement recently made by the officers of the California division of the Union Pacific railroad \$13,000,000 in gold was paid in 1863 for transportation eastward from San Francisco to the State of Nevada and Territories east of the Sierra Nevada. The details of return freights and the amount paid for the movement of passengers are, as yet, too incomplete for publication. Not less than \$50,000,000 per annum is expended on or near the line of the Union Pacific railroad for the transportation of travellers and merchandise.

* Tooke's History of Prices, vol. vi, p. 235, published in 1857.

GENERAL OBSERVATIONS.

I beg leave to close this communication with a few observations of a general nature :

1. There are two indispensable requisites to the development of the western mines—security from Indian hostilities, and the establishment of railway communication to the Pacific coast on the parallels of 35°, 40° and 45°. Of these, the completion of the "Union Central" on the average latitude of the fortieth parallel may be anticipated in 1870, and will unquestionably give a great impulse to the communities which it will traverse, probably to such a degree as to warrant the immediate construction of a northern line central to Minnesota, Dakota, Montana, Idaho, Washington and Oregon, and a southern line equally indispensable to the Indian Territory, Texas, New Mexico, Arizona, and southern California.

2. Great results of a social, no less than a material character, may be anticipated from the act of July 26, 1866, extending facilities for acquiring title to mineral lands. By that act, freedom of explanation, free occupation of Government lands for placer mining, a right to pre-empt quartz lodes previously held and improved according to local customs or codes of mining, the right of way for aqueducts or canals, not less essential to agriculture than to mining, and the extension of the homestead and other beneficent provisions of the public land system in favor of settlers upon agricultural lands in mineral districts, have been established as most important elements for the attraction of population, and the encouragement of mining enterprises. The Commissioner of the Land Office has carefully analyzed this enactment, and greatly facilitated its execution by a circular recently issued. The spirit of the legislation under consideration is in the interest of actual settlement and occupation, and adverse to absentee ownership for merely speculative purposes, of mining properties. It will probably be necessary to supplement that act in question by some general revision of the local mining customs, which, although generally founded on the Spanish code so long in use in Mexico, are often incongruous and obscure.

3. Great loss and disappointment have resulted from the unique geological and mineralogical development of auriferous and argentiferous lodes of the Rocky Mountains and the Alleghanies. Metallurgical machinery and methods which had been successful in Europe, and even in California, have proved inapplicable or met with unexpected obstacles in the reduction of ores. There is no subject of greater importance than a scientific analysis of the situation and combinations of the precious metals and the best methods for their treatment. How far Congress or any Executive department can judiciously co-operate in the solution of the mechanical and chemical problem which now confronts the skill and experience of all interested in the economical reduction of the ores of gold and silver, it is not within the province of this report to determine; but the great utility of the geological survey of Lake Superior and the Upper Mississippi, in 1847, under the direction of Professor D. D. Owen, may properly be referred to as suggesting the expediency of a similar exploration under National auspices of the mineral districts of the Western States and Territories, and which might be appropriately extended to include the metalliferous localities of the Alleghanies.

JAMES W. TAYLOR.

Hon. Hugh McCulloch, Secretary of the Treasury.

BALTIMORE—ITS MANUFACTURES, COMMERCE, ETC.

Baltimore, the most southern of the four great commercial cities of the Atlantic seaboard, is located upon an estuary or small bay, which makes up for about two and a half miles on the north side of the Patuxent River, ten miles from the entrance of this river into the Chesapeake Bay, of which it is for this distance an arm. The city, by ship-channel, is about 200 miles from the ocean, and by railroad, 38 miles north-east from Washington, and 98 mile south-east from Philadelphia, lat. $39^{\circ} 17'$ north, and long. $76^{\circ} 37'$ west.

The situation of Baltimore, whether for foreign or internal trade, is admirable. It has a spacious and secure harbor, far inland, and is approached through a narrow and easily defended arm of the sea. Its connections with the interior are ample, railroads diverging from the city in every direction. The Baltimore and Ohio Railroad extends west to Wheeling and Parkersburg on the Ohio River, forming connections at these points with the great lines of the north middle section of the Union, and through these with the railroads now being constructed to the Pacific Ocean. Pittsburgh will also be reached by this road, the branch from Cumberland being now in course of construction. The Northern Central Railroad and its connections give access to the coal fields of Pennsylvania and to the ports of Lakes Ontario and Erie. The great shore line of railroads connects the city on the one hand with Philadelphia, New York and the Eastern cities, and on the other with Washington, Alexandria, and the whole south and south-west. The Western Maryland Railroad, as its title implies, is intended to develop that portion of the State. On these great avenues of interior travel and transportation the commerce of Baltimore is entirely dependent, since by nature the site occupied by the city is hemmed around by physical difficulties which would otherwise be fatal to commercial prosperity.

Baltimore has no long record. Its admirable location was for a long period unappreciated, nor was it before 1729 that the town was laid out. The part then first laid off (60 acres in extent) was the central southern portion, about the head of what is now familiarly called "the basin." Three years subsequently, in 1732, ten acres east of Jones' Falls, a part of the present, "old town," were laid out under the name of Jonestown, and in 1735 the two became united as the town of Baltimore. Up to 1752 it contained only twenty-five houses. Sixteen years later it became the County Seat, and so late as 1780 it was made a port of entry. Until that time all vessels trading to and from the port entered, cleared and obtained registers at Annapolis. None of the streets were paved before 1782, when a commencement was made on Baltimore street, from that day to this, the main street of the city. In the same year the first regular communication with Philadelphia—a line of stage coaches—was opened; and not to enlarge by tedious details, it began to assume a metropolitan appearance, and obtained an Act of Incorporation on the 31st day of December, 1796. The City Government was organized in the following year, and from the beginning of 1798 Baltimore was classed among American cities.

In 1775 a census was taken at the expense of a few private individuals, and the town found to contain 564 houses and 5,934 inhabitants. Some

idea of its steady rapid growth since this date may be obtained from the following returns of the federal census since taken :

Census.	White. Persons.	Colored Persons			White & Colored.
		Free.	Slave.	Total.	
1790... ..	11,925	323	1,255	1,578	13,503
1800... ..	20,900	2,771	2,848	5,614	26,514
1810... ..	36,212	5,671	4,672	10,343	46,555
1820... ..	48,055	10,326	4,857	14,683	62,738
1830... ..	57,710	14,790	4,120	18,910	76,620
1840... ..	81,321	17,980	3,212	21,192	102,513
1850... ..	141,441	24,625	2,946	27,571	169,012
1860... ..	184,520	25,680	2,218	27,898	212,418

It is thus seen that Baltimore in the last twenty years has gained in population more than it did in the first hundred years of its existence. In 1840 it contained 102,513, and in 1860, 212,418 inhabitants.

Baltimore is highly favored as a manufacturing locality. Jones' Falls and the Patapaco River afford immense water power, which is extensively employed for flouring mills, &c. Numerous cotton mills are also in operation, and in Canton and other neighborhoods iron, and other manufactures are largely engaged in. It may be well, however, to state that some of the largest of the manufactories are located beyond the city limits, but in the County of Baltimore; and hence to understand properly the true manufacturing volume belonging to the city, those of the county must be added, as in the following returns for 1860 :

	Number of Establi-hm'ts.	Capital invested.	Cost of raw material.	H'ds empl'd—		Cost of labor.	Value of Product.
				males	females		
City.....	1,100	\$9,009,107	\$12,624,737	12,388	4,666	\$3,974,278	\$21,083,517
County.....	210	4,780,650	5,443,946	3,547	1,241	1,376,966	8,508,241
City & County	1,310	\$13,789,757	\$18,068,683	15,935	5,907	\$5,351,244	\$29,591,758

As compared with Philadelphia, New York and Boston give the following returns :

Philadelphia..	6,296	\$73,318,695	\$69,562,206	60,370	30,623	\$37,369,354	\$135,979,777
New York.....	4,375	61,312,757	90,177,083	65,463	14,731	35,451,915	159,407,369
Boston.....	1,060	14,527,350	20,254,277	14,044	4,199	6,946,229	37,681,806

The above table shows that Baltimore (city and county) produces \$111 to each inhabitant, Philadelphia \$240, New York \$197 and Boston \$212.

The annual value of the products of most important manufactures of Baltimore are given in the following table for 1860 :

	City.	County.	Total.
Agricultural implements.....	\$223,500	\$14,900	\$248,400
Boots and Shoes.....	871,567	40,770	912,337
Brass Foundry.....	154,000	.....	154,000
Bread.....	469,585	19,255	488,837
Brick.....	278,600	60,700	339,300
Carriages.....	217,925	2,700	220,625
Chemicals (Bi-Chromate of Potash).....	135,000	.....	135,000
Cigars.....	672,649	.....	672,649
Clothing—men's.....	3,124,081	.....	3,124,081
Cooperage.....	319,095	.....	319,095
Cooper Smelting.....	1,300,000	.....	1,300,000

	City.	County	Total.
Cotton Goods.....	50,000	2,080,814	2,130,814
Flour and Meal.....	620,692	2,425,887	3,046,589
Furniture.....	524,910	.....	524,910
Gas.....	375,000	.....	375,000
Hats and Caps.....	145,047	.....	145,047
Hides and Tallow.....	.....	294,981	294,981
Iron Castings (including stoves).....	589,000	117,959	706,959
" Bars, sheet, &c.....	641,125	.....	641,125
" Peg.....	180,000	378,000	558,000
Leather.....	471,010	88,650	559,660
Lime.....	.....	184,700	184,700
Liquors—distilled.....	142,000	157,377	299,377
" —malt.....	211,161	5,000	216,161
" —rectified.....	124,867	.....	124,867
Lumber, sawed and plained.....	401,029	24,675	425,704
Machinery, steam engines, &c.....	392,500	1,100,000	1,492,500
Marble and stone-work.....	229,760	380,000	569,760
Nails.....	.....	150,000	150,000
Oil, Linseed.....	238,000	.....	238,000
Paper.....	30,000	297,400	327,400
Pianos.....	265,000	.....	265,000
Printing.....	324,954	.....	324,954
Provisions—oysters packed.....	1,025,920	.....	1,025,920
" —Pork and Beef.....	928,285	.....	928,285
" —Preserved fruits.....	63,700	.....	63,700
Saddlery and Harness.....	210,491	2,275	212,766
Sails.....	125,400	.....	125,400
Ships and boat building.....	606,822	.....	606,822
Soap and Candles.....	438,345	.....	438,345
Sugar, refined.....	2,800,000	.....	2,800,000
Tin, copper and sheet iron ware.....	282,080	.....	282,080
Woolen Goods.....	.....	485,250	485,250

From this exhibit it will be seen that the most extensive cotton and woolen factories are beyond the city limits. The same may be said of its machine shops, furnaces, naileries, paper mills &c., and of full one half of its marble works, distilleries, &c. Several of these are largely carried on at Canton, a flourishing suburb adjacent to the city, to which the Northern Central Railroad has lately been extended.

The shipping registered and enrolled, and the shipping built at the port of Baltimore in 1850, and quinquennially thereafter, are shown in the following statement:

	Registered shipping.	Enrolled and licensed.	Licensed under 20 tons.	Total tons.	Of which steam.	Shipping built (tons)
1850.....	90,670	57,612	737	149,019	13,115	11,683
1855.....	110,572	71,556	981	183,109	16,340	18,817
1860.....	114,194	84,801	1,622	200,108	21,953	6,889
1865.....	64,887	129,785	2,286	196,958	20,615	7,983

The number, nationality and tonnage of shipping entered and cleared in the foreign trade of Baltimore for the same years, is returned thus:

Clearances.				Entrances.							
Year end'g	American	Foreign	Total	Year end'g	American	Foreign	Total				
June 30,	Vessels.	Tons.	tons.	June 30,	Vessels.	Tons.	tons.				
1850	259	84,296	163	27,523	126,819	1850	295	70,427	143	29,161	99,588
1855	364	111,696	123	47,494	158,590	1855	360	121,337	189	48,790	165,127
1860	338	115,733	303	58,397	174,000	1860	433	130,514	184	46,963	186,417
1865	129	37,906	213	71,821	100,737	1865	123	36,006	182	53,460	88,466

The aggregate values of the exports and imports in the same years are shown in the following table:

	Exports.			Total imports.	Of which in Am. vessels.	
	Domestic.	Foreign.	Total.		Exports.	Imports.
1850	\$6,589,481	\$377,872	\$6,967,353	\$6,124,201	\$4,908,046	\$5,529,682
1855	9,882,918	513,766	10,396,684	7,788,949	7,386,543	6,726,518
1860	8,804,606	196,394	9,001,600	9,784,773	5,907,939	8,073,328
1865	11,794,546	346,491	12,141,037	4,816,454	3,303,820	2,400,939

The exports of domestic produce to foreign countries and other agricultural States, consist in the main of flour, grain and provisions, and of late years petroleum has been sent away in considerable quantities, and also some copper, of which last large quantities are smelted in the city. But the principal staple of export is tobacco, in the leaf and manufactured, which together usually make up one-half of the total value. The following table gives full details of the leaf tobacco trade for the ten years 1857-66:

SHIPMENTS OF MARYLAND AND OHIO TOBACCO.

	1857.	1858.	1859.	1860.	1861.	1862.	1863.	1864.	1865.	1866.
Bremen	17,497	15,660	18,598	24,767	31,911	12,390	10,398	15,469	13,798	15,005
Rotterdam	11,715	17,985	20,715	22,949	22,706	11,543	7,993	11,865	7,910	15,198
Amsterdam	4,066	3,739	1,298	5,221	3,133	8,094	2,370	4,837	4,753	4,199
England	2,148	4,388	1,950	8,010	6,440	3,837	2,109	2,467	1,084	683
France	7,438	16,935	8,401	6,825	5,215	4,470	6,398	7,457	5,863	6,330
Spain .....	...	2,801	...	1,169	...	6,395	5,050	2,280	5,303	818
Trieste	1,212	1,140	...	900	...	...	...	...	...	...
Antwerp, &c	253	...	...	...	1,133	...	...	...	...	...
Total, hhds.....	44,259	62,388	50,967	64,841	73,890	48,439	36,193	44,375	38,509	43,215

The total inspections and exports (including Kentucky and other tobaccos,) in the same years, were as follows:

Years.	Inspections.			Total exports.	Stocks at end of yr
	Maryland.	Ohio.	Other.		
1866.....	31,515	15,579	566	47,660	52,663
1865.....	25,479	15,396	3,077	43,952	42,305
1864.....	28,518	21,961	2,140	52,619	45,052
1863.....	36,676	17,032	2,267	55,975	44,137
1862.....	41,493	13,560	3,646	58,699	13,447
1861.....	50,407	14,152	3,012	67,571	85,237
1860.....	51,000	23,000	2,700	76,700	69,338
1859.....	44,480	15,351	3,022	62,853	55,974
1858.....	45,200	22,800	3,149	71,149	66,534
1857.....	38,057	7,640	1,608	47,305	47,162
1856.....	38,330	12,959	1,563	52,852	56,798
1855.....	28,470	10,097	991	39,558	36,392

The inspections of flour in Baltimore for the last five years was as follows:

	1866.	1865.	1864.	1863.	1862.
Howard street.....	189,871	244,246	316,429	317,229	316,396
City Mills.....	329,466	398,819	410,219	437,638	394,140
Ohio	328,788	262,080	240,383	278,153	212,989
Family	65,009	78,846	66,402	69,838	64,100
Total, barrels.....	913,134	984,021	1,033,433	1,102,852	967,632
Rye	11,199	12,255	7,140	7,400	10,531
Corn Meal.....	46,061	32,892	30,977	40,025	29,570

The exports of flour from Baltimore to foreign countries chiefly to Brazil, the West Indies and the British North American Colonies for the same years were as shown in the following statement :

	1866.	1865.	1864.	1863.
Brazil	92,541	120,951	170,594	157,286
West Indies.....	70,070	74,407	98,969	83,473
British North Amer. Colonies.	16,507	17,249	14,480	33,412
Other countries.....	1,180	1,873	49,049	52,279
Total, barrels	179,298	215,474	333,042	326,450

The following table shows the receipts of wheat and other grain from all sources :

	1866.	1865.	1864.	1863.
Wheat.....	1,359,804	1,887,570	1,980,092	2,329,058
Corn	4,479,083	2,936,246	2,286,003	2,201,933
Oats.....	1,333,510	1,250,404	946,710	1,603,212
Rye.....	73,494	75,240	55,518	45,861
Total, bushels.....	6,245,641	6,149,660	5,248,323	6,179,614

The great bulk of the wheat here represented is manufactured in the city, and furnishes a flour which has a high standing in all markets.

The chief returns from foreign countries are coffee from Brazil, sugar from the West Indies, and fish from British America. The imports of coffee for the last four years are represented thus :

Orig'n.	1866.	1865.	1864.	1863.
Brazil	160,437	86,725	91,184	73,957
Venezuela	2,761	.....	4,504	.....
Other countries.....	1,477	1,540	1,283	1,642
	164,725	88,265	96,920	75,599
Coastwise	16,145	12,219	700	202
Total (bags)	180,870	100,484	97,620	75,801

The quantity of sugar and molasses imported in the same years was as follows :

	1866.	1865.	1864.	1863.
SUGAR—West Indies, hhds	49,922	40,730	19,611	28,095
bbls & bxs ..	48,319	36,500	5,146	6,646
MOLASSES—hhds.....	9,387	6,146	5,635	5,380
tes	2,430	1,160	1,812	1,466
bbls	1,363	406	2,471	608

The great bulk of these imports is sent West by the Baltimore and Ohio Railroad for the markets of the interior, Cincinnati, Louisville, and St. Louis.

Baltimore has been long noted for its copper smelting works, and of late years also for its iron founding. The Baltimore and Cuba Mining and Smelting Company has a capital of \$1,000,000, and carries on its operations at two establishments—one at Canton on the east, and the other at Locust Point on the south side of the harbor, and these jointly work thirty-four reverberatory (including four refining) furnaces. The number of hands employed as refiners, smelters and laborers is about 300, at wages

ranging from \$1 50 to \$4 per day. These two establishments consume from 30,000 to 36,000 tons of Cumberland coal annually. The ores are chiefly brought from Cuba, but also largely from the Lake Superior and other domestic mines. The copper finds its chief market in New York. In the iron interest there are nine blast furnaces which in 1866 produced about 30,000 tons of 2,240 lbs., and about equally divided between the charcoal and anthracite varieties. The rolling mills have been in fair activity during the year, but less so than when there was a war-demand for the celebrated boiler iron made here.

No other market is so largely engaged in the guano trade as Baltimore. The trade, however, lost its usual proportions during the war. The arrivals in 1866 were eleven vessels from the Chincha Islands, bringing 13,000 tons, and twenty other cargoes principally of Navaassa, amounting to 7,000 tons—making an aggregate of 20,000. Most of the Chincha was taken by the South, the cargo price having been \$60 (gold) per ton. The Navaassa imports also found ready sale, being chiefly used in the manufacture of other fertilizers. Baltimore continues to be one of the great centres of the oyster and canned fruit business. The houses prosecuting the trade now number upwards of forty and employ more than 4,000 persons of both sexes in the various departments of shucking, packing, peeling, preserving, &c.

The oyster packing commences in September and continues to the middle of June. The quantity of oysters brought to this market annually is variously estimated at five to seven million bushels, some 2,000,000 bushels are packed raw in cans (iced) of 2 to 5 quarts in size requiring about 4,250,000 cans and 200,000 cases; and about 3,000,000 bushels are done up in hermetically sealed cans. The raw or fresh oyster branch gives employment to about 1,500 persons, shucking, packing, &c. The shuckers are principally negroes. The hermetically sealed branch requires about 2,500, chiefly white families. The new process of steaming renders the opening of oysters so simple that children may do it. The number of cans of one, two and three pounds each, hermetically sealed daily during the active season is quite 75,000; and in this branch about 8,000,000 cans are used annually. About the same number of cans is used in the sealing of fruits and vegetables in the summer season. Thus some fifteen or sixteen millions cans of oysters, fruits and vegetables are the products of this industrial pursuit and these again require about 600,000 cases in which they are packed. The manufacture of cans gives employment to upwards of 400 persons, and the value of tin, solder, &c., used in the manufacture is near a million dollars. The case making employs from 240 to 250 carpenters. The total value of this business is between \$5,000,000 and \$6,000,000 a year. The vessels employed in taking oysters for this market aggregate about 50 tons to each vessel; and some 500 or 600 vessels of a larger class are engaged in running them to market. The crews of these vessels number about 6,000 persons. In the summer and autumn or the fruit and vegetable season as many more are engaged packing, boxing and shipping these products to Baltimore by steamers and bay craft; and when all these oysters and fruits and vegetables reach the wharves there is a teeming hive of carters, carmen, and draymen who derive a living from the delivery of the same.

This trade has so rapidly grown to prodigious proportions within a few

years, as to excite astonishment with those even who have had most experience in it. The chief points of shipment for these goods : re to the West, far West, and the North and Southwest. The trade to California, once so large, has now become insignificant.

RAILROAD EARNINGS FOR FEBRUARY.

The gross earnings of the under-specified railroads for the month of February, in 1866 and 1867, comparatively, and the differences (increase or decrease) between the two periods, are exhibited in the subjoined statement :

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$108,864	\$377,852	\$.....	\$31,012
Chicago and Alton	222,241	*250,000	27,759	.....
Chicago and Great Eastern.....	79,430	77,626	.....	1,804
Chicago and Northwestern.....	453,693	568,743	133,043	.....
Chicago, Rock Island and Pacific	2 9,069	184,497	.....	21,572
Cleveland and Pittsburg.....	151,930	*135,000	.....	16,930
Erie	987,935	917,689	.....	70,246
Illinois Central.....	505,266	554,301	48,935	.....
McGregor Western.....	16,500	15,000	.....	1,500
Marietta and Cincinnati.....	84,264	78,976	.....	5,288
Michigan Central.....	265,796	263,661	17,833	.....
Michigan Southern.....	253,179	302,437	19,253	.....
Milwaukee and Prairie du Chien.....	84,397	85,000	103	.....
Milwaukee and St. Paul.....	122,621	130,000	7,379	.....
Ohio and Mississippi.....	246,109	219,045	.....	27,064
Pittsburg, Fort Wayne and Chicago.....	480,986	522,321	41,335	.....
St. Louis, Alton and Terre Haute.....	155,393	149,312	.....	6,081
Toledo, Wabash and Western.....	194,167	200,793	6,626	.....
Western Union.....	36,006	27,667	.....	8,339
Total (19 roads).....	\$4,998,848	\$5,098,320	\$109,472	\$.....

The statement which follows shows the miles of road operated, and the gross earnings per mile of the same roads for the same months :

Railroads.	Miles Road.		Earnings.		Incr.	Dec.
	1866.	1867.	1866.	1867.		
Atlantic & Great Western.....	507	507	\$306	\$756	\$... \$ 50	...
Chicago and Alton.....	280	280	794	893	99	...
Chicago and Great Eastern.....	224	224	354	346	...	8
Chicago and Northwestern.....	1,032	1,032	439	568	129	...
Chicago, Rock Island & Pacific.....	423	423	494	436	...	60
Cleveland and Pittsburg.....	204	204	745	661	...	84
Erie.....	798	732	1,238	1,253	15	...
Illinois Central.....	708	708	713	782	69	...
McGregor Western.....	50	66	380	227	...	103
Marietta and Cincinnati.....	251	251	326	314	...	22
Michigan Central.....	255	255	933	995	62	...
Michigan Southern.....	524	524	540	577	37	...
Milwaukee & Prairie du Chien.....	224	224	363	364	1	...
Milwaukee and St. Paul.....	275	275	446	473	27	...
Ohio and Mississippi.....	340	340	724	644	...	80
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,022	1,117	95	...
St. Louis, Alton and Terre Haute.....	210	210	742	713	...	29
Toledo, Wabash and Western.....	484	484	401	415	14	...
Western Union.....	177	177	203	190	...	43
Total (19 roads).....	7,474	7,434	\$687	\$687	\$20	\$...

On a less mileage by 50 miles than in 1866 the aggregate gross earn-

* The earnings of the Chicago and Alton and Pittsburg and Cleveland railroads for 1867, are estimated.

ings of the above nineteen roads have exceeded those of that year by \$109,472, or \$20 per mile of road operated. Ten of the nineteen roads represented in the table, measuring 5,022 miles, have increased their earnings by \$302,608 or \$60 24 per mile; and nine roads, measuring 2,402 miles, show a decrease of \$193,472, or \$80 50 per mile. The Chicago and North Western appears to have increased its earnings more largely than any others of the series—the Cleveland and Pittsburg, the Ohio and Mississippi, and the Rock Island are those exhibiting the largest decrease. The Erie, though showing a decrease in absolute amount, has actually increased its earnings to the extent of \$15 per mile of road operated. The statement on the whole will no doubt be considered favorable; and, indeed, it shows better general results than have been witnessed for a long time past.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of February, the 1st of March and the 1st of April, 1867, comparatively :

DEBT BEARING COIN INTEREST.

	Feb. 1.	Mar. 1.	April 1.
5 per cent. bonds.....	\$198,091,380	\$198,091,380	\$198,091,380
“ “ of 1867 and 1868.....	15,779,442	15,679,442	15,488,642
“ “ of 1881.....	283,745,350	283,745,400	283,745,600
“ “ 5.30's.....	910,029,500	954,889,000	980,568,080
Navy Pension Fund.....	12,500,080	12,500,080	12,500,000
	\$1,490,145,542	\$1,464,555,922	\$1,490,361,562

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$12,992,000	\$12,992,090	\$12,992,000
2-year Compound Interest Notes.....	143,054,540	141,306,530	139,093,630
3-year 7.30 notes.....	663,636,100	632,798,050	582,330,150
	\$819,672,740	\$787,093,580	\$734,395,780

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$15,791,454	\$14,576,689	\$12,335,668
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DEBT BEARING NO INTEREST.

United States Notes.....	\$381,437,090	\$376,335,636	\$375,417,949
Fractional currency.....	23,743,734	23,514,732	23,217,495
Gold certificates of deposit.....	19,992,960	18,376,180	12,590,000
	\$430,163,804	\$424,196,538	\$417,335,344
Aggregate debt.....	\$2,685,773,540	\$2,690,587,980	\$2,668,713,974
Coin and Currency in Treasury.....	142,423,791	159,823,399	140,335,304
Debt, less coin and currency.....	\$2,543,349,749	\$2,530,764,580	\$2,528,378,670

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

Gold Coin.....	Feb. 1. \$97,354,604	Mar. 1. \$107,371,031	April 1. \$105,956,477
Currency.....	43,069,187	52,366,366	54,386,537
Total gold coin and currency.....	\$142,423,791	\$159,823,399	\$160,393,504

LETTER TO THE SECRETARY OF THE TREASURY,

RELATIVE TO A PROPOSED CHANGE IN THE MINT LAWS OF THE UNITED STATES UPON THE SUBJECT OF THE REFINING OF GOLD AND SILVER.

SAN FRANCISCO, Nov. 13, 1866.

DEAR SIR: In compliance with your request I hereby submit to you in writing a statement of such facts connected with our mining and minting operations as, in my opinion, are necessary to a clear understanding of the important interests to which they are germane, and without which no intelligent action can be taken.

I may be permitted to refer to the recent instructions of the Secretary of the Treasury to Mr. J. Ross Browne, the special agent of the department, as embodying succinctly the whole field of inquiry upon these important subjects. The Secretary justly observes that "whatever tends to develop the vast resources of our new States and Territories must add to the wealth of the whole country;" and he desires Mr. Browne to ascertain "what financial facilities may tend to develop the country and enhance its products."

Having yourself visited several of our mining districts, it will be only necessary to refer to your own sources of information upon many points of inquiry connected with these subjects.

As an indication of the magnitude of our mining interests, I will here merely premise that it would be an under-estimate to say that the mines of this State, and the adjacent Territories which are tributary to it, have for the past seventeen years produced an average of \$60,000,000 per annum, or an aggregate of \$1,000,000,000. And yet so unremunerative are mining operations as a whole, that it would be difficult to-day to find in this State one man for each \$100,000,000 produced who has grown rich by working the mines. There is no subject upon which there exists such widely diffused error in the public mind as this, and perhaps there can be no more overwhelming refutation of the fallacy of these impressions than the simple statement of the fact, which is within the knowledge of every one having any personal acquaintance with the history of our mining operations. In early days, when the bars and beds of our mountain streams glittered with gold, and our surface diggings offered rich rewards to individual labor, there were, doubtless, many who reaped golden harvests with little labor and no capital. But these have long since been exhausted, and mining now can only be carried on successfully by a combination of labor and abundant capital. Indeed, mining here is not essentially different from what it has always proven the world over—a fascinating illusion, in which the exceptional instances of success seem alone to be remembered, and to supply the incentive which still lures on its votaries, regardless of the overwhelming preponderance of the disastrous experience of others. And yet, while it involves nine out of ten in heavy pecuniary loss, if not absolute ruin, its result and effect is to "enhance the product" and "add to the wealth of the whole country."

The development, therefore, of this important element of national wealth

should receive every encouragement at the hands of the Government, rather than be repressed by a system of taxation, which practically amounts to the taxing the privilege of a man's spending his own money for the public good. However, many of the evils under which this important interest has heretofore labored will doubtless be remedied by the mineral land law of last Congress. There still exists the high mint charge and the internal revenue tax of one-half of one per cent., which resulted from the various propositions to tax our mines. From the discussions in Congress, this tax seems to have originated in the idea that individuals were reaping private fortunes from the public domain without any return. Apart from what I have already said upon the subject, you can judge yourself how much foundation there is for this belief. But what I more particularly desire to draw your attention to, is its unjust application to foreign mines as well as domestic, the effect being to *repel* the products of Mexico and British Columbia, and force them into other channels. This is the result of making assayers the commissioners for the collection of the tax, and compelling them to collect it upon all bullion which they assay. It seems to me that if this matter was properly represented to the Commissioner of the Internal Revenue, he would at once authorize assayers and refiners, upon proper evidence of the foreign origin of bullion being produced to them, to stamp it as such, instead of imposing upon it a tax which was clearly never intended.

In reply, therefore, to the inquiry of the Secretary, "What financial facilities may tend to the development of the country and enhance its products?" I should unhesitatingly reply, a complete abrogation of all taxes and restrictions upon mining enterprises and a radical change in our *whole system of mining laws*.

If it be true that gold alone is the true measure of value, and that the metallic wealth of a country is the only safeguard to national and individual credit or solvency in periods of financial disturbance, it would seem to follow as a very simple principle of political economy that all legislation upon such a subject should be directed to the encouragement of its importation from abroad, and the retention in circulation of our own production, or as the representative of other mediums of exchange, and into which they are at all times convertible. Yet, strange as it may appear, all of our legislation upon this important subject has a directly opposite tendency. By imposing high mint charges upon the recoinage of foreign currency, and exorbitant refining and revenue charges upon foreign and domestic bullion, it deters the one from seeking our markets, and compels our own to seek the cheaper markets of other nations, or, rather, where the smaller charges make its commercial value greater than its minting value at home.

While this subject has been engaging the attention of the first statesmen of Europe for the last three hundred years, and they have been constantly modifying their laws upon the subject, and adapting them to the changes in domestic and international commerce, it has been almost entirely neglected by our government. About the only thing it has done since the discovery of gold in this State, and the magnitude and importance which the subject thereby acquired, was to pass the act of March 4, 1863, looking to exclusion of refining from the mint, and making the retrograde movement of creating, in addition to other de-

ductions, a coinage charge, by the acts of February 21 and March 3, 1853.

The practical result of this is very apparent. These mint and revenue charges now amount to about $1\frac{1}{2}$ per cent. on gold deposits and $2\frac{1}{2}$ per cent. on silver. By collecting these charges directly from the owner of the bullion, as a deduction from its value, the minting or net coining value per ounce, of our bullion, is reduced considerably below its commercial value, which is governed by the foreign markets, where no such tax or extortionate rate exists, and where minting expenses are defrayed from the public treasury, or by some special tax upon some article of general consumption, and not by a deduction from the value of the bullion.

The theory is a perfectly just one. The making of money is a necessity of government and a benefit to the entire community, and its expense should be borne by them equally, and not solely by the few who produced the material which enables the government to supply its own prime necessities. There is no more justice in doing so than there would be to charge the manufacturer who with his own capital and labor produces the parchment or paper of which your currency is made with the cost of engraving, printing, and other expenses of converting it into money. It is immaterial to the government how the expenses of its mints are defrayed, so it is done, yet it is very apparent that the particular mode by which it is done may lead to the most important results, for it cannot be denied that by raising the minting value of our bullion at home we not only retain a much larger portion of it in circulation, but we at the same time attract the products of foreign mines, for the same reasons that ours now goes abroad. The policy, therefore, of trying to make our mints self-supporting at the expense of the mining interests only has not only being a signal failure as a public measure, but is not sustained by the usages of any other nation, and is opposed to every just principle of political economy. The remedy is apparent and easy. The annual expenses of our mints are a mere bagatelle in the general disbursements of the government, and it could well afford to throw them entirely upon the general treasury without its being felt. They are now principally owing to the fact that, while other governments have long since restricted their mints to the more legitimate operations of coining money only, our government still adheres to the expensive practice of also refining the gold and silver necessary for this purpose. And while these charges are very high, and operate as a very oppressive tax upon the miner, they altogether fail to cover the cost. This is, however, in a great measure owing to the fact that our mint officials have always exercised an authority in this particular matter that the law does not seem to sanction. It is very clear and mandatory upon the point, and says positively that the charge shall cover the cost, including material labor, wasteage, &c., and the authority which it subsequently gives to change these charges from time to time clearly means such changes only as are necessary to make these charges conform to the changes which from time to time may take place in the cost of material, labor, &c.

Acting on their own interpretation of the law, they have adopted a tariff of charges quite as remarkable as their construction of the law itself, and have made their charges in an inverse ratio to the cost. This not

only makes it necessary for the government to make large appropriation every year to cover the deficiency, but establishes an unjust tariff, to which private refiners must conform, while it is clearly the desire of the government that they should be encouraged, so as to relieve it entirely of this expensive operation. I have no doubt that, upon examination, the appropriations which the government makes annually to cover the deficiencies of the mints, growing out of their refining operations, will be found to exceed what it makes from its coinage charges; and, hence, could they get rid of the cost of refining, they could readily forego the small profit they made from coinage, and be better off for doing so, while they, at the same time, relieve the mining interests of the country from the oppressive tax. Again, by the mint's not making any difference between deposits or refined and unrefined bullion in the time of payment, the private refiner is not only compelled to conform to the unjust tariff of the mint, but his bullion, after it is refined, is used by the government to pay depositors whose gold is not refined for several days subsequent, and all because the law simply says that deposits shall be paid in the order in which they are made. To accomplish all that the government desires, the private refiners only want common justice, and they will soon so far outstrip the government in the advantages they will offer the miner as soon to relieve it entirely of the expense of refining. The government uses the tedious and expensive process of refining by nitric acid, (which alone can be used in the heart of the city,) while private refiners employ the more expeditious and economical process of sulphuric acid.

There are a number of ways in which the government can aid and facilitate the consummation of this end if it so desires. The one which seems to me best adapted to this country, where the people are so deeply interested in the efficiency of the mint, and are so jealous of everything touching their peculiar interests, would be to have Congress give to the Secretary of the Treasury authority to contract with private refiners for an exchange of the crude bullion deposited at the mint for bullion fit for coinage or for gold coin, less such charges as might be agreed upon. This course has the advantage of relieving the government of all risk on the one hand, while it secures to the miner the benefit of the government assay and the government responsibility. When this is once accomplished the coining value of our bullion would at once become greater than its commercial value, and the result would be that the entire produce of our moneys would be coined at home, and here, at least, we would be relieved of those constantly recurring periods of stringency in the money matters growing out of the demand for, and shipment abroad of, our bullion.

During your sojourn here you doubtless learnt enough of our peculiar system of exchange with the interior to understand that while the coinage of about \$20,000,000 per annum seems to answer all of our wants as a circulating medium, yet nearly our entire product is made to answer the purpose of coin, being remitted from the interior in payment of merchandise sold by our merchants.

It is clear to my mind that if the government would repeal the coinage and internal revenue tax upon all bullion, and give such encouragement to private refiners as would secure to the owners of the bullion the benefits of their more moderate charges, the results which would accrue to the country in the reduction of the price of gold, and the consequent advance

in our national securities would much more than compensate for loss of revenue now arising from these sources.

In connection with this subject it has occurred to me that if the government does not deem it expedient to throw the expenses of its mints upon the general treasury, a tax might be imposed upon bills of exchange, drawn against shipments of specie or bullion, that would answer all the purposes of the coinage and revenue charges now made, and at the same time serve the further purpose of raising the coining value of our bullion at home, as I have before observed, and likewise impose an additional obstacle to its shipment abroad; and all tending to the enablement of our government to return to a specie basis at an early day.

The difficulties of treating these important subjects within the limits of a hurried letter must at once become apparent to you, and I have therefore not attempted to do more than give you a general outline, with a few of the more important facts and considerations appertaining to the subject.

If the suggestion which I have thrown out was adopted, and the mints were allowed to exchange crude bullion for bullion fit for coinage, they would at once be relieved of the expense and necessity of refining; but if it be deemed best to bring about that result by degrees, it would perhaps be best accomplished by giving such a preference to the bullion refined by private enterprise as would make it to the advantage of the depositor to patronize such establishments, and it would, in my opinion, be better to relieve such bullion of the coinage charge than it would to limit the amount to be received by the mint, as now provided by law.

Very respectfully, your obedient servant,

LOUIS A. GARNETT.

John Jay Knox, Esq.,

Treasury Department, Washington, D. C.

WOOL AND WOOLEN MANUFACTURES OF CALIFORNIA.

(From the San Francisco Mercantile Gazette, Jan. 9, 1867.)

The year closed upon a market exceedingly depressed and with scarcely a hope of speedy improvement. The causes producing the condition of the market, noticed in our statement for the quarter ending October first, have been in no wise improved, and still continue to present a foreboding outlook for the future. It is true something is anticipated from the probable action of the present Congress upon the tariff question, but it is questionable if any changes that may be made will prove of more than temporary benefit, and they may fail even of that. Within the past four years the increase of woolen manufactures in the United States has been immense, and fully enough to supply the American markets from the product of American looms, a most desirable event if it could be made practicable. But notwithstanding a tariff of nearly fifty per cent. on the cost of manufactures, and in face of this abundant supply of machinery for the production of all the fabrics we may need, our imports have been on a scale of unsurpassed magnitude and our markets completely glutted with goods of foreign make. The fact seems to be that the American markets have been so long

a source of profit to foreign manufacturers that they contemplate exclusion from them with extreme reluctance, and having as yet no other outlet for their products, are prepared to encounter losses if necessary to retain possession. The contest is between the enterprise, skill and energy of American manufacturers and the cheap labor of Europe, and the apparent protection extended to our manufacturers by the present tariff is nearly or quite neutralized by the high cost of labor, oils, dye-stuffs, etc., which are all enhanced by similar duties, and the various Government taxes to which they are subjected. Under the existing condition of the commercial and financial interests of the country, the high duties at present enforced only add temporarily to the Government revenue at the expense of the consumer, and without protecting our own industries in any degree. It would seem as if further increase in tariff rates would only result in adding to the burden of consumers without materially benefitting manufacturers or wool growers; and until the whole course of our commercial relations reaches a settled and healthy basis, the joint interests of wool growing and wool manufacturing must continue subject to fluctuations that cannot be foreseen, and labor under depressions like the present. Our local manufacturing interests are probably in a better condition than those of any of the Eastern States, having, in the abundant supply of cheap Chinese labor an ample market for their products at their own doors, and entire exemption from any currency fluctuations, great advantages over any of the New England factories; and while the latter have been making continuous losses through the past year, the former have marked up handsome margins of profit. The additions to the woollen machinery on this coast have been important, and will increase the total consumption for 1867 probably very nearly thirty-three per cent. over the year 1866. This is a fact of great importance to our wool growers, and should encourage them to increase their products even in the face of one or two years of low prices, and should stimulate them to the exercise of the greatest care in the making up of their crops for market. The following internal revenue tax has been paid in this city from December 1st, 1865, to November 30th, 1866, upon manufactured goods: Pioneer Woollen Mills—woolen fabrics, \$578,351; clothing, \$419,979. Mission Woollen Mills—woolen fabrics, \$629,859; clothing, (September, 1866, to November 30th) \$74,959. This latter company manufactured a large amount of army clothing for troops here and in the East, and in the State Prison, not included in the above. We present our annual tables of receipts and shipments, and add some brief memoranda of the successive years since 1861:

RECEIPTS (IN BALES).

	1863.	1864.	1864.	1865.	1866.
First quarter.....	70	613	1,014	511	661
Second quarter.....	15,784	21,201	21,498	17,191	17,393
Third quarter.....	8,373	4,327	5,634	5,873	5,603
Fourth quarter.....	5,908	7,340	5,163	6,698	7,292
Total.....	27,133	33,481	34,209	29,273	30,958
Deduct received from Oregon, Sandwich Islands, etc.....	2,051	1,714	2,151	2,965	2,786
Production of California proper....	25,082	31,767	31,058	26,315	27,172

TOTAL RECEIPTS ESTIMATED IN POUNDS.

	1863.	1864.	1864.	1865.	1866.
California.....	5,343,531	6,558,885	7,236,514	6,455,070	6,546,750
Oregon, etc.....	410,300	342,900	430,300	791,600	753,300
Total.....	5,753,781	6,902,685	7,666,714	7,246,670	7,299,950

SHIPMENTS (IN BALES.)

1862.	1863.	1864.	1865.	1866.
23,343	17,316	15,988	15,829	10,165
To the above receipts should be added the Pulled Wool made in San Francisco, which figures among the shipments or in consumption, and is estimated for the year at about 700,000 pounds, and with the estimated amount of all kinds now on hand would give the following approximate figures :				
Regular receipts from all sources, (lbs.).....				7,299,950
Amount of Pulled Wool made in San Francisco.....				700,000
Total stock.....				7,999,950
Exports per manifest weights, (lbs.).....				4,635,000
Fleece Wool on hand, estimated.....				500,000
Pulled Wool on hand, estimated.....				100,000
				<u>5,235,000</u>
Balance retained for local consumption, (lbs.).....				2,764,950

In presenting the following brief mention for the years 1861 to 1866 inclusive it may be necessary to remark that through the whole Pacific coast Sheep are raised wholly on the natural pasturage throughout the year, hence the changes of the weather and condition of grazing through the early winter months controls the condition and character of the succeeding clip very greatly.

1861.—The clip of this year was generally in very fair condition, the bulk of it being of low grade, with a large proportion of kempy and coarse wools; still the staple was sound and open, and the shrinkage light. The amount received at San Francisco from all sources was estimated at 4,600,000 lbs. Prices ranged from 6c to 16c, the highest point having been 19½c. The market was depressed by the excitement attending the commencement of the war.

1862.—The winter of 1861-2 was marked by an immense rain-fall, continued until to-wards April. The interior valleys were generally flooded and the loss of stock of all kinds very large. Owing to the excessive rains the clip came forward very nearly as light as washed wool; and as the forage was abundant, the staple was fairly healthy. The first receipts of the season were March 8th—prices opened at 19@21c., advanced to 23@23c.; in April, 24c.; in June and July 26@28c. The fall clip began to appear in August, opening at 21@22c., and maintaining that range strongly to the close of the year. Gold opened at 101, reached 137, and closed at 133.

1863.—The winter of 1862-3 was much drier than the preceding year, though sufficient rain fell to produce an abundance of grasses, etc. The clip of Wool was generally in good condition, and the efforts of the wool growers to improve their flocks by introducing Merino crosses, and by throwing out the kempy and inferior Mexican stock, made a marked change in the quality of the Wool. The market opened in April at 24c., advancing to 26c., and as high as 30c. for some choice lots. Through May prices ranged at 24@29c.; through July at 23@26c. Fall clip opened in August at 20½c., advanced to 23@25c. in September, 26@27c. in October, and closed in December at 22½c. Gold opened at 134, reached 172, and closed at 152.

1864.—The winter of 1863-4 was pre-eminently the dry season; but little rain fell, and the prevalence of cold, dry north winds dried the surface of the ground, and checked vegetation, so that the opening spring found the pasturage worse

than at the close of the previous autumn. The sheep were pinched and poverty stricken, and the clip of wool consequently inferior—it was defective in staple, loaded with dust and dirt, and in all respects bad. The market opened March 16th at 24c, ranged from 20@24c. through April and May, reached 23@25c. in June, with occasional sales of choicer lots at 27@28c., and fell back in July to 21@23c. Fall clip opened in August at 21c., maintained about that point through the fall, and declined in December to 16@18c. Gold opened at 152, reached 285, and closed at 228.

1865.—The winter of 1864-5 was somewhat more favorable to general farming interests, sufficient rain having fallen to produce fair crops of grain and grass; but the first storms were severe and cold, and stock of all kinds prostrated by long starvation, perished by thousands. The loss of sheep was variously estimated at 25@33 per cent. of the entire stock. The spring rains were scanty and not sufficient to cleanse the wool at all; the whole clip went forward to market dirty, greasy, weak fibred and short stapled—the poorest clip that California ever produced. Despite the poor condition, prices ruled high throughout the year. The first arrival was March 15th, and brought 24c. Through April and May prices ranged from 20@24c., with occasional sales at 26c., and through June and July 22@24½c. Fall wool opened at 17@18c., advanced to 21@22c., and closed in December at 20c. Gold opened at 230, declined to 130, and closed at 145.

1866.—The winter of 1865-66 was one of the most favorable possible. During October and November sufficient rain had fallen to start the grasses finely. There was no perceptible change in the condition of the flocks of sheep in the transition from the autumn feed to the new grass, and early in the year it became apparent that the coming clip would be of unusual excellence. The result has fully justified these expectations, and it is doubtful if a better clip was ever marketed in California. In the amount of wool most calculations have been disappointed; it has not equalled the estimates, though it may be that the low state of the market for Fall wools tended to keep some clips back in the country, and deter many farmers from full shearing. The market opened in March at 21c., advanced to 22@23c., with occasional sales at 24@25c., and receded in July to 19@21c. Fall wool began to arrive in August, with sales at 17@18c., and has steadily declined since, closing at 12@14½c. for good to choice without buyers, and in larger stock than was ever known at the same period.

Thus far the winter of 1866-7 has been more favorable than that of 1865-6. The rains have been copious and the weather uniformly warm. Grasses never showed so large a growth at this period of the year. The sheep are in unusually good condition, and the prospect for a large increase from the flocks is very excellent. Should we get our usual March rains the coming clip will excel any yet produced in California, and in any event it cannot fail of being every way desirable. In amount it may not largely exceed that of 1866, as the consumption of mutton has been unusually large, and so far as the production of wool is concerned each mutton sheep may safely represent two yearling lambs. As approximate estimate, we may expect for the year 1867 the receipts of this port to equal nine million pounds; the local consumption to reach four million—leaving for export about two million pounds. Looking over the whole field, our wool growers have no cause to remit their efforts to increase and improve their flocks; the depres-

sion in the wool market cannot be continued more than a year or two, and may possibly be relieved earlier than is now expected, and, in the meantime, the demand for butchering purposes is such as to guarantee a profit in raising sheep, independent of their product of wool.

Oregon has increased its shipments to us but very little ; such wools as have come from them have maintained the past reputation for excellence, but the increase of manufactures there, is gaining steadily on the production ; and bids fair to absorb it ere long. Small as the increase of export has been this year, it compelled some of the mills to draw upon California, and some parcels have been shipped to Oregon within the past few months, but the amount so sent was but trifling, and confined to the lowest grades.

A NEW ROUTE ACROSS SOUTH AMERICA.

The following translation of an article from a Lima newspaper, *El Nacional*, of January 21, descriptive of a new route opened up between the Pacific and the Atlantic :—

By this recent discovery the navigation of the rivers which rise in the Andes of Peru and flow into the Atlantic is brought within 70 leagues of the Pacific Ocean, at the seaport of Huachio, 63 miles north north-west of Callao. The President of the Republic and the community should rejoice, for the trans-Andine navigation to the Atlantic has been just definitely established. The steamers Mayo, Putumayo, and Morona are at only the distance of 70 leagues from the shores of the Pacific. In eight hours by railway this distance may be traversed, and our communication by the Amazons opened up with the Atlantic.

The young Prefect of Loreto, Don Benito Arana, proposed to General Prado (President of Peru) the naval exploration of the rivers with the three steamers above mentioned. Being fully authorised by his Excellency the President, Arana set out on this expedition, and on the 1st January, 1867, at five p.m., the steamers Mayo and Putumayo cast an anchor on the port on the river Mayo, which henceforward will be known to the world by the name "General Prado." The Morona arrived a few hours later.

Notwithstanding the inconvenience which attended the navigation, the vessels have reached the Mayo in good condition ; but having found the port deserted, and being short of provisions, they sent commissioners to Profure, and, when supplied with necessaries, the steamers will return to Iquitos. Senor Arana is expected to arrive in Lima by land, to give verbal information on the particulars of his glorious enterprise. The expedition was not entirely pacific. Our readers may remember the unfortunate incidents which gave rise to the catastrophe of Tavara and West, killed and devoured by the Cashioo man-eaters. Arana resolved to seize such as appeared culpable ; and on the 7th December he disembarked on the banks of the Pachitea. The Indians resisted, and attacked with bows and arrows the party of Arana, who, at the sound of conflict disembarked the crew of his ships. The fight lasted five hours, and was protracted by the forest, behind the trees of which the Indians sheltered them-

selves. At last they fled in terror, leaving upwards of twenty of their tribe dead on the ground. By the declaration of two women and thirteen boys who were taken prisoners, and sent to the village of Cashiboya, it appears that among the slain were found the principal assassins of the ill-fated mariners, Távares and West.

The enterprise of Orellana, Orzoa, Tejeira, Acunha, Fritz, Condamine, and many other coadjutors of Christian civilization, is at length completed, through the exertions of the young and enthusiastic Prefect Loreto, assisted by the meritorious officers in command of our steamers. They have thus realised the unity of Peru, and opened up for our commerce with Europe a new and rapid means of communication.

The correspondent adds—"The arrival of the Peruvian steamers at the port of 'General Prado' on the Mayro will probably stimulate the patriotism of the present Supreme Chief of Peru to open a railway from Huacho to the head stream of the navigation of the Amazonas during his day of brief authority, and before the exhaustion of the guano of the coast—which otherwise may soon disappear, and leave behind no lasting work of improvement, in roads or bridges, to facilitate and extend the vast natural resources of the Peruvian Republic."

IRISH SEA FISHERIES.

The Commissioners for administering the laws relating to the deep sea and coast fisheries in Ireland report upon the whole in the year 1865 the continuance of a manifest and decided improvement in the condition and progress of those fisheries as compared with their state a few years back, an improvement, however, scarcely, if at all, apparent this year on the western and northern coasts, partly owing to the loss by emigration of the more able men, the poor condition and equipment of the boats, and the wants of an immediate and remunerative market, but partly also, it seems, to real scarcity of fish. But the return of the herrings to the east coast and the success of mackerel fishing in the deep sea have given confidence to the Irish fishermen; and the haddock and whiting, which for a very long time had scarcely been seen on the coast, re-appeared last year. The oyster fishery is not in a prosperous condition—not owing to any decline consequent on natural causes, but to the increased demand and price stimulating dredging to an extent which the beds are unable to bear. The commissioners have extended the close season on the southeast coast, and encouraged the formation of private layings with a view to create sources whence the public beds may be re-stocked. They feel obliged to dissent from the recommendation of the royal commission in reference to the abolition of a close season for the oyster fishery, and the removal of the restrictions on trawling on the banks along the coast, believing that the fish ought to be left undisturbed during the spawning season. The coast-guard returns for 1865 show that there were employed in fishing 8,989 vessels, 35,184 men, and 2,730 boys—a decrease, as compared with the previous year, of 311 vessels, 2,232 men, and 794 boys; 6,582 tons of fish were conveyed by railway in Ireland in the year 1865, being 230 tons more than in the previous year.

STATISTICS OF COAL.

An interesting Blue-book has just been issued by Great Britain containing reports from Her Majesty's Secretaries of Embassy and Legation respecting the production of coal in different countries. According to these reports the production of coal in Austria in 1864 was 4,499,133 English tons; in 1855 it was 2,028,089 tons. In Bavaria, in 1865, the quantity of stone coal and brown coal produced was 435,602 tons; in 1859 the quantity was 260,000 tons. In Belgium the number of coal mines was 287, and the amount of coal obtained in 1865 was 11,840,703 tons, the quantity exported in the year being 3,568,406 tons. In Brazil there were no extensive workings of coal. Some of the coal-beds, however, were of great depth, and presented great facilities for working by open quarrying. In France in 1864 the production was 11,061,948 English tons; in 1865 it was 11,297,052 tons. In the year the import of coal amounted to 7,108,286 tons, of which 1,455,206 tons were drawn from Great Britain; the exports in 1865 were 335,126 tons. Prussia is rich in mineral fuel; the total amount of stone coal and brown coal produced on an average in this country in 1864 was 21,465,600 English tons; in 1860 it was 13,543,000 tons. The coal-pits of the river Ruhr extend over ten miles in length, a Prussian mile being equal to 24,000 Prussian feet, nearly 4 2-3 English miles. The western parts of Prussia are so richly furnished with mineral fuels, particularly with coals, that they do not depend for their supply on foreign countries, but rather give up a great part of their coal produce to the latter. In Russia no coal is exported, although the beds of the Donetz are rich in coal and other minerals; the amount of coal produced in this place was 128,571 tons; but this is a very insignificant quantity compared with the enormous mass of coal which the Donetz is capable of furnishing. In 1842 there were only 225 beds in a working condition, whereas now there are about 700, and each year the spring rains bring to light others. Coal fields also exist on the western flank of the Ural mountains. Five hundred and fifty-four thousand eight hundred and fifty-eight English tons were imported into Russia in 1865. No coal is exported from Spain, and the quality raised in the country is chiefly used for making coke and artificial fuel. Oviedo furnishes more than any other province, in 1863 it furnished 307,396 tons, the total produce being only 401,297 tons. Spain may be said to be dependent on England for her coal, notwithstanding the internal resources of the country. The effect of the differential duties has been to enhance the price of coal, while in their protective capacity they have in nowise assisted native production. In the United States the amount produced in 1865 was 17,417,617 tons. Out of this quantity Pennsylvania alone produced 13,000,000 tons. It is estimated that the Illinois coal-fields contains 1,277,500,000,000 tons, and that it would take 100,000 years to exhaust them; yet the United States, with their enormous productive resources, raise now but the paltry amount of about 20,000,000 tons. In New South Wales the supply of coal is very great. The quantity exported from the port of Newcastle exceeded 12,000 tons a week. In the United Kingdom in 1863 88,292,515 tons of coal were raised, and in 1865 the quantity had increased to 98,150,587 tons.

COTTON AND SILK FRAUDS IN CHINA.

The Chinese, says a Shanghai exchange, have discovered a very admirable and simple method of making money. Everything being sold by weight, and water possessing a definite specific gravity, they have found it a desirable plan to add that element to produce of all descriptions; as, on account of its comparative cheapness, it shows a handsome profit if sold at the market price of any article whatever. As many of our readers know to their cost, picul upon picul of water has been sold as cotton, as sugar, as hemp, as seaweed, and indeed in the form of almost every article of produce in the country. It is chiefly, however, in the shape of cotton that the greatest trade in water has hitherto been carried on. Though people grumble a good deal, they went on buying their 93 catties of cotton and seven catties of water at market rates pretty freely; but in the course of time they got more cautious, as sundry cargoes instead of arriving the spotless white substance they were shipped, turned out the equally useful but less customary color of black. The plea always set up by the Chinese dealers was, that it was utterly impossible to obtain dry cotton, because the countrymen who sold it in small quantities, commenced the process of wetting it almost as soon as it was picked. This statement, we have good reason to believe, was true up to a certain point; that is, the countrymen did wet cotton to an extent; but while dilating this circumstance, the honest dealers forgot to mention that they themselves added a reasonable amount of water on their own account. The cessation of demand for this staple among foreigners has made it difficult to ascertain whether it be possible to obtain from the Chinese positively dry cotton; but, anyhow, an improvement was effected when the foreign merchant discovered that in buying wet stuff he was not only submitting to a fraud, but ran the risk of having his whole cargo so much damaged as to become almost unsaleable. The Chinese were considerate enough to reduce the wetting down to a safe shipping point: that is, to some four or five catties in a picul; thus clearly proving that it was not the countrymen alone who were responsible for the previous more serious adulteration. We believe we may state with safety that scarcely any cotton has been shipped from this port not containing from four to five per cent. of water. That is, in other words, a merchant nominally buying 1,000 piculs of cotton, in reality purchased 950 piculs of the staple and 50 of water; and his invoice if strictly made out, at say 20 tls. per picul, should have run—"Cotton, raw Shanghai, 950 piculs, at 20 tls., 19,000 tls; water, Shanghai unfiltered, 50 piculs, at 20 tls. 1,000 tls." But as this was generally considered an unnecessary amount of commercial purism, and might have been looked upon as pedantic, the cotton and the water were lumped together and the difference appeared in the account sales, either in lowness of price or loss in weight. Last season, however, complaints were made that this ingenious principle in Chinese trading was applied to raw silk; and, although it was not considered very much out of the way to buy water in bales of cotton at 20 tls. per picul, people began to think the article a little dear when it was offered them in bales of silk at a cost of over 400 tls. The silk inspectors addressed a letter to the Chamber of Commerce, complaining of the Chinamen having sold them water at so high a figure, but the chamber did not perceive that the silkmen had been absolutely called upon to take it. Grave fears were, however, expressed that the attempt to wet silk might be renewed this season; and as the possibility of such an occurrence taking place is a serious consideration, it is certainly desirable that merchants should, at the outset, be on their guard and not allow the commencement of a similar system with regard to silk as that which proved so fruitful a source of loss, and of disputes with reference to cotton.

COMMERCIAL CHRONICLE AND REVIEW.

Public Debt for March—Business this month—Rate of Interest—Course of Gold, Exchange, &c.—Five-twentieths, &c., at London—Price of United States Bonds for March, &c.

The statement of the public debt for March, which we publish this month, is the most favorable in all respects that we have been able for a long time to lay before our readers. In consequence of the falling off in the internal revenue there is but little diminution of the net aggregate, which is 2,523 millions, against 2,530 millions a month ago. The decrease of seven millions has been made by the sale of between five and six millions of gold. This small diminution of the total of the debt is regarded as a point of less importance by the public than it was some time ago. Experience has shown us that until our internal taxation is better adjusted, and more skilfully distributed, a needless oppression of the productive power of the country would be induced by the attempt to pay off from this source any considerable amount of the public obligations. The voice of the country is for reducing taxation to such limits as will pay the expenses of the Treasury and meet the interest on the Government bonds. When by careful adjustment we find out at what points the pressure of taxation may rest with the least injury to the country, increase the pressure and tighten the fiscal screw as the gradual recuperation and growing strength of the tax-paying power of the country may justify. In this point of view, then, Mr. McCulloch has met the wishes of the people.

But although so small a reduction of the debt has been made, the changes effected have all been in the right direction. In the first place, the currency balance in the Treasury has fallen to a lower point than for many months past. No less than eighteen millions of this idle money have been used to pay off interest-bearing securities of short dates. In making this reduction Mr. McCulloch has been obliged to draw down the balances in the National Banks to an unusually low point. A stringency of limited extent and brief duration has resulted from this withdrawal of balances. For the banks, although they pay no interest on the Government balances, are tempted to lend them to their dealers in order to gain interest. At this time of the year there is always a great pressure on the financial machinery of the country in consequence of April payments in the agricultural districts, and this pressure cannot fail to be increased by the sudden taking away of heavy Government deposits. The trouble and embarrassment hence resulting would not, however, have been so serious had not the preparations the banks found to be necessary for their quarterly statements, been making just at the same critical time. From the mischievous, and, to some extent, unexpected results which have come from this untoward combination of forces acting together on the money market, at a time when it was from other causes in a state of extreme sensitiveness, we may derive new confirmation of the often proved remark that the Government deposits are an injury to business, and a snare to the banks. Now, that these mischievous deposits are removed, we trust they

will not be allowed again to accumulate in so inordinate a degree as has been but too frequent in the past.

Then, again, Mr. McCulloch has acted in the difficult duty of contraction with all the caution that could be desired. Under the act of April 12 he is bound to withdraw greenbacks if in his opinion it can safely be done. But the monthly maximum is not to exceed 4 millions. Under existing circumstances he has very properly refrained from contracting more than about one-fifth of this amount or \$818,378, which represents, we presume, the mutilated notes which have ceased to be fit to pass current and have come in for redemption. For the same cause the fractional currency has declined \$297,228, so that the volume of the currency has been contracted by a little more than one million of dollars. Probably the most suggestive and gratifying feature of the report, however, is found in the short date obligations which have caused so much apprehension. Of these no less than 54½ millions have been paid off, 50 millions being the amount of the Seven-thirties alone. If we mistake not the aggregate of the Seven-thirty notes has never before suffered so large a reduction in any one month. It is now reduced to 582 millions; of which less probably than 100 millions fall due in August next. The embarrassment which the Treasury has looked for from these notes is now, therefore, at an end, and the rapid acceleration of the rate of conversion fully confirms the opinion we have ventured to express that if vigorous efforts are made by the department and its agents the Seven-thirties, the compound notes, and all other short obligations outstanding can be so far funded before the time of maturity that no trouble need be apprehended from this cause. If Congress will resolutely refuse to add to the existing debt, and will turn a deaf ear to all the schemes which are concocted for that purpose, the existing debt, whether floating or semi-funded, will easily be provided for.

As to the gold-bearing bonds, there is little to be said. The Five-twenties have been increased \$34,723,000. From the defective way in which the statement is made out we are unable to say what proportions of these Five-twenty bonds belong to each of the four issues. The impression prevails very extensively, however, that there has recently been an emission of several millions of bonds of 1864, the aggregate of which was one hundred millions originally. No notice has been given to the public of any such issue, the understanding being that no Five-twenties of any sort are now being put out, except the fourth series, the interest of which is payable in January and July. It is very important to holders of securities, whether of the government or of private corporations, that no secret issues should be made, but that all new emissions of bonds should be made with as much publicity as possible. The propriety of this rule is seen at once, if we remember that the quantity of any species of bonds, pressing on the market at a given time, forms an important element in regulating the market price. Hence a secret issue of any securities is regarded (as an injury to the holders of such securities. By parity of reasoning the buying up of any such securities should be public. Accordingly, the British government, when purchases are made of consols, on account of the Sinking Fund announces the fact, and the amount of the purchase is on the same day made known at the Stock Exchange, and in the money articles of the London journals. This principle of publicity is of greater importance than has been supposed; and now that there

is an end of all the reasons for it, which originated in the exigencies of the war, this principle should be adopted in all the negotiations of the Treasury.

The course of business during March has shown some symptoms of improvement. While trade cannot be said to have been healthy, it has yet perhaps realized, in respect to activity, all that was anticipated at the opening of the year. In most branches of merchandise the supply of goods appears to have been in excess of the demand; and hence, as a rule, holders have found it necessary to concede a steady reduction of prices, and both manufacturers and importers have found the result of their operations far from satisfactory. The manufacturers of cotton and woolen goods have not produced to the full extent of their capacity; but the limitation of the supply of fabrics appears to have had no other effect than to partially arrest the downward course of prices. The importation of dry goods from January 1st to the close of March aggregates \$30,223,631; which though \$15,150,000 less than for the same period of last year, is yet \$19,770,000 more than during the first quarter of 1865; and in the present depressed condition of the trade of the country, must be considered an excessive supply. This large supply of foreign fabrics, selling in many cases much below cost, has of course produced an active competition with domestic goods, and fostered the prevailing depression in the home market. The backwardness of collections in the West, and the unsatisfactory accounts of business given by buyers from the interior generally, indicate that the burthens of taxation and the inflation of prices and of rents are at last seriously limiting the ability of consumers to purchase, and clearly show that, unless the case be met by carefully adjusting the supply to the demand, both manufacturers and importers must suffer heavy losses upon their operations.

Monetary affairs have been generally dull throughout the month. The loan market has been, upon the whole, quiet; though the rate of interest on demand loans has not ranged below 6 per cent. on stock collaterals. An unusually large amount of stocks are at present held by brokers, who have to depend upon the banks for carrying them; and this fact, rather than any activity in loans, has steadily sustained the rate of interest. Toward the close of the month, the preparations of the National Banks for their quarterly statement, required to be made up on the first Monday of April, caused a general disturbance of deposits and of loans, and produced during the last few days, a firm 7 per cent. market. Although it is for many reasons important that the banks should make frequent exhibits of their condition, yet the existing plan of making a return on a day foreknown to the banks, is really of little value as a means of ascertaining their condition, while it is productive, every three months, of much inconvenience to business. The banks temporarily shape their accounts for the occasion, and instantly relapse into a condition which they had deemed unfit for a public exhibit. In the discount market there has been a decided recovery of confidence. Really prime paper has been in active demand at $6\frac{1}{2}$ to $7\frac{1}{2}$ per cent., both from the banks and private investors, but lower grades have accumulated in the hands of dealers, and have been negotiated at high rates.

The following are the rates of loans and discounts during the month of March :

RATES OF LOANS AND DISCOUNTS.

	March 2.	March 9.	March 16.	March 23.	March 30.
Call loans	5 @ 6	5 @ 6	5 @ 6	6 @ 7	6 @ 7
Loans on Bonds and Mortgage....	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	6½ @ 7½	6½ @ 7	6½ @ 7½	7 @ 7½	7 @ 7½
Good endorsed bills, 3 & 4 mos....	7 @ 7½	7 @ 7½	7 @ 7½	7½ @ 8	7½ @ 8
" " single names.	7½ @ 9	7½ @ 9	7½ @ 9	7½ @ 9	7½ @ 9
Lower grades	8 @ 10	8 @ 10	8 @ 10	8 @ 10	8 @ 10

The course of stock operations has not varied materially from what is usual at this season of the year. Operations have been principally on brokers' own account, and the prevailing temper of the market has favored lower prices. During the latter half of the month, the anticipation of the usual Spring campaign caused some of those who had been operating for a decline to become buyers of stocks, and gave a firmer tone to the market. The total transactions in stocks at both boards, for the month, amount to 1,825,802 shares, against 1,968,839 for the same period of last year. The volume of shares sold at the boards in January, February and March, and the total since Jan. 1, is shown in the following statement :

	January.	February.	March.	Since Jan. 1.
Bank shares.....	2,461	1,959	2,435	7,855
Railroad ".....	2,200,510	1,262,351	1,597,617	5,059,778
Coal ".....	24,296	10,369	32,145	67,600
Mining ".....	65,375	29,900	23,502	123,667
Improv't ".....	20,344	18,960	41,975	81,269
Telegraph ".....	49,501	22,537	34,615	117,973
Steamship ".....	56,504	91,619	90,561	238,683
Other	4,703	6,400	6,562	17,674
At Regular Board.....	755,350	624,121	673,926	2,073,406
At Open Board	1,653,325	841,348	1,152,876	3,647,443
Total 1897.....	2,423,684	1,475,363	1,825,802	5,724,849
Total 1896.....	2,459,517	1,743,431	1,968,839	6,126,067

United States securities have been upon the whole inactive, and have reacted from the high prices reached at the close of February. While there has been no foreign demand, and the price of gold has declined about six points, there appears to have been a steady flow of bonds out of the hand of traders, compelled probably by the pressure of the times; and these circumstances appear to have chiefly contributed to the fall, ranging from ½ to 1½ on the several classes of bonds; the only exception being in the case of the new Sixty-fives. The amount of Government bonds and notes, State and city bonds and company bonds, sold at the Regular Board, in the last three months, compare as follows :

	January.	February.	March.	Since Jan. 1.
United States Bonds.....	\$4,863,300	\$6,150,300	\$5,679,050	\$18,702,650
United States Notes.....	1,968,200	1,764,860	1,069,480	4,792,480
State and City Bonds.....	2,594,800	2,432,800	2,936,500	8,664,100
Company Bonds.....	722,500	752,200	731,500	2,215,300
Total, 1897.....	\$12,108,800	\$11,090,150	\$11,396,480	\$34,595,430
" 1896.....	12,155,700	11,822,000	10,622,940	32,600,510

The following are the closing quotations at the regular board to-day, compared with those of the six preceding weeks :

	Feb. 21.	Feb. 28.	Mar. 1.	Mar. 8.	Mar. 15.	Mar. 22.	Mar. 29
Cumberland Coal.....	.....	30%	30%	30%	35%	33%	.....
Quicksilver.....	30	.....	56%	56%	.....	35	34
Canton Co.....	45	45	123%	45%	47%	46%	46%
Mariposa pref.....	83%	23%	23%	21%	23%	.....	.....
New York Central.....	101%	103%	55%	102%	103%	105%	105%
Erie.....	55%	55%	.....	54%	59%	53%	58%
Hudson River.....	134%	137	137	139	.....	138%	.....
Reading.....	104%	103%	103%	103	102%	101%	101%
Michigan Southern.....	73%	73%	73%	71%	74%	75%	7%
Michigan Central.....	107%	.....	.....	.....	.....	108%	108
Cleveland and Pittsburg.....	79%	81	81	80%	83%	78%	79%
Cleveland and Toledo.....	.....	118%	117%	118%	119	118%	121%
Northwestern.....	36	35%	35%	34%	35%	35%	35%
" preferred.....	63%	65	65	63%	63%	63%	64%
Rock Island.....	97	98%	98%	94%	96	97%	97%
Fort Wayne.....	96%	94%	97%	94%	96%	96%	96%
Illinois Central.....	116	115%	115%	114%	115%	116	.....

The daily closing prices of the principal government securities are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, MARCH, 1867.

Day of month.	6's, 1881.	6's, 1881.	6's, (5-30 yrs.)	Coupon—	6's, 10-40 yrs.	7-3's
Friday 1.....	Coup. Reg.	110%	109%	1864.	1865.	new.
Saturday 2.....	110%	.....	111	108%	106%	98
Sunday 3.....	.....	.....	110%	.....	106%	.....
Monday 4.....	.....	.....	110%	108	106%	98
Tuesday 5.....	.....	110	110%	108%	106%	105%
Wednesday 6.....	109%	110	109%	107%	106%	97%
Thursday 7.....	109	.....	109%	.....	106%	105%
Friday 8.....	.....	.....	109%	107%	106%	98
Saturday 9.....	109%	.....	109	107%	106%	97%
Sunday 10.....	.....	.....	.....	.....	.....	.....
Monday 11.....	.....	.....	107%	.....	.....	97%
Tuesday 12.....	.....	100%	109%	107%	106%	97%
Wednesday 13.....	109%	.....	107%	107%	106%	97%
Thursday 14.....	109%	.....	109%	107%	106%	105%
Friday 15.....	109%	109%	107%	107%	106%	97%
Saturday 16.....	.....	109%	109%	107%	106%	105%
Sunday 17.....	.....	.....	.....	.....	.....	.....
Monday 18.....	109%	.....	109%	107%	107%	97%
Tuesday 19.....	109	.....	107%	108	107%	105
Wednesday 20.....	.....	.....	109%	.....	107%	105
Thursday 21.....	109%	109%	109%	107%	107%	97%
Friday 22.....	.....	.....	109%	107%	108	107%
Saturday 23.....	.....	109	109%	107%	107	97%
Sunday 24.....	.....	.....	.....	.....	.....	.....
Monday 25.....	.....	108%	109	107%	107%	97%
Tuesday 26.....	108%	108%	108%	107%	107	97%
Wednesday 27.....	.....	.....	109%	107%	107%	97%
Thursday 28.....	.....	108%	.....	107%	108	107%
Friday 29.....	109%	.....	109%	107%	108%	98
Saturday 30.....	109%	109%	109%	107%	108%	98
Sunday 31.....	.....	.....	.....	.....	.....	.....
First.....	110%	110%	111	108	108%	98
Lowest.....	108%	108%	108%	107%	107%	97%
Highest.....	110%	110%	111	108	108%	98
Latest.....	109%	109%	109%	107%	108%	98

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, MARCH, 1867.

Issue of	March 7.	March 14.	March 21.	March 28.
June, 1864.....	117% @ 117%	117% @ 117%	117% @ 118	118 @ 118%
July, 1864.....	117 @ 117%	117% @ 117%	117% @ 117%	117% @ 117%
August, 1864.....	116% @ 116%	116% @ 116%	116% @ 117	117 @ 117%
October, 1864.....	115% @ 115%	115% @ 115%	115% @ 116	116 @ 116%
December, 1864.....	114% @ 114%	114% @ 114%	114% @ 115	115 @ 115%
May, 1865.....	113% @ 113%	113% @ 113%	113% @ 112%	112% @ 112%
August, 1865.....	111% @ 111%	111% @ 111%	111% @ 111%	111% @ 111%
September, 1865.....	110% @ 111	110% @ 111	110% @ 111	111 @ 111%
October, 1865.....	110% @ 110%	110% @ 110%	110% @ 110%	110% @ 111

The first series of figures represents the buying and the last the selling prices at first class brokers' offices.

The course of United States' bonds in Europe has been steadily upward. Although large amounts were sent thither in January and February, and have since been in course of distribution, yet Five-twenties rose at London from 73½ at the opening of the month, to 75½ at the close. Illinois Central and Erie shares have respectively advanced at London 3½ per cent., following the fall in the premium on gold.

The closing quotations for Consols and certain American Securities (specified) at London, as received by the Atlantic cable, are given in the following tabulation :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—MARCH, 1897.

Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill. C. sh's.	Erie sh's.	Date.	Cons for mon.	Am. securities. U. S. 5-20s	Ill. C. sh's.	Erie sh's.
Friday.....	1 91	78½	76½	36½	Tuesday.....	19 91	74½	78	39½
Saturday.....	2 91	78½	76	37	Wednesday.....	20 91	74½	78½	40½
Sunday.....	3 .....	.....	.....	.....	Thursday.....	21 91½	74½	78½	39½
Monday.....	4 91	78½	76½	36½	Friday.....	22 91	74½	78½	39
Tuesday.....	5 91	78½	77	36½	Saturday.....	23 91	74½	78½	39
Wednesday.....	6 90½	74	77½	35½	Sunday.....	24 .....	.....	.....	.....
Thursday.....	7 90½	78½	77½	36	Monday.....	25 91	74½	78½	39
Friday.....	8 90½	78½	77½	36	Tuesday.....	26 91	74½	78½	39½
Saturday.....	9 90½	74½	77½	36½	Wednesday.....	27 91½	74½	77½	39½
Sunday.....	10 .....	.....	.....	.....	Thursday.....	28 91½	75	78½	39½
Monday.....	11 90½	74½	78	38½	Friday.....	29 91	75	78½	39
Tuesday.....	12 90½	74½	77½	40	Saturday.....	30 91½	75½	79½	39½
Wednesday.....	13 90½	74½	77½	39½	Sunday.....	31 .....	.....	.....	.....
Thursday.....	14 90½	74½	77½	39½	Highest.....	91½	75½	78	40½
Friday.....	15 91	74½	77½	39½	Lowest.....	90½	78½	76	35½
Saturday.....	16 91	74½	78	40	Range.....	.....	1½	4½	3½
Sunday.....	17 .....	.....	.....	.....		
Monday.....	18 91	74½	78½	39½					

The imports and exports of coin and bullion at the port of New York for each of the last three months and since January 1, have been as shown in the following statement.

MOVEMENT OF COIN AND BULLION IN MARCH AND SINCE JANUARY 1.

	January.	February.	March.	Since Jan. 1.
Receipts from California	\$3,472,886	\$1,740,109	\$1,896,837	\$3,109,861
Imports from foreign ports	126,719	136,491	145,867	409,077
Total receipts	\$3,599,614	\$1,876,600	\$2,042,724	\$3,518,938
Exports to foreign ports	2,561,866	2,194,461	1,891,142	6,556,956
Excess of imports over exports	\$48,258	.....	\$151,583	.....
Excess of exports over imports .....	.....	\$247,861	.....	\$48,030

The following shows the amount of receipts and exports in March and since January 1, for the last seven years :

	Receipts from Cal.	Imp. from for'n ports	Exp's to for. ports
	Mar. Since Jan. 1.	Mar. Since Jan. 1.	Mar. Since Jan. 1.
1897	\$1,896,837	\$6,109,861	\$145,867
1896	3,958,291	9,047,105	266,854
1895	1,668,975	4,637,167	343,343
1894	1,131,338	3,301,608	104,437
1893	1,697,176	4,986,681	334,877
1892	1,846,763	2,297,080	1,800,559
1891	2,370,391	10,178,695	6,554,442
			15,175,680
			8,906,436
			1,463,638

The lowest and highest quotations for United States 6's (5-20 years) of 1862, at Paris and Frankfurt, in the weeks ending Thursday, have been as follows :

	Mar. 7.	Mar. 14.	Mar. 21.	Mar. 28.
Paris	82½ @ 83½	83 @ 84	84 @ 84½	84½ @ 85
Frankfurt	76½ @ 77½	77½ @ 78½	77½ @ 78½	77½ @ 78

The course of the gold premium has been steadily downward, the price having fallen over six points within the month. This change is the more remarkable considering that there has been a reduction of more than three millions in the supply of specie in the banks. The anticipation of the large disbursement upon May coupons appears to have been the chief cause of the downward tendency. The receipts from California amount to \$1,896,857, and the foreign exports to \$1,837,824. Since Jan. 1st, the California supply and the foreign imports have been balanced by the shipments to foreign ports within about \$2,000. It will be seen from a statement below that the amount of gold derived from unreported sources, has again been about three times the amount derived from California :

	January.	February.	March.	Since Jan. 1.
Specie in banks at or near commencement.....	\$13,185,522	\$16,822,964	\$11,579,881	\$13,185,522
Receipts of treasure from California.....	2,472,885	1,740,109	1,896,857	6,109,851
Imports of coin and bullion.....	138,719	138,491	145,867	409,077
Coin paid by U. S. Treasury for interest.....	7,486,945	5,138,823	2,820,626	10,686,308
Total reported supply.....	\$22,870,781	\$18,781,416	\$15,469,631	\$20,542,468

From which deduct amounts withdrawn from market, viz. :

Export of coin and bullion.....	\$2,551,365	\$2,124,461	\$1,891,141	\$6,566,968
Paid into U. S. Treasury for customs.....	9,520,385	11,452,304	12,198,039	33,170,628

Total with'd'n from market... .. \$12,071,741 \$13,576,665 \$14,089,180 \$39,737,596

Excess of reported supply over withdrawals...	\$11,199,040	\$5,154,751	\$2,963,451	\$.....
Excess of withdrawals over reported supply ..				9,195,128
Specie in banks at or near close.....	16,822,964	11,579,881	8,522,009	8,522,009

Derived from unrep'ted sources..... \$5,133,944 \$5,424,630 \$5,150,158 \$17,717,732

The sources of this large extra supply, by which the market has been sustained, are numerous and divergent. From the sales of gold effected by the Treasury probably the larger portion is derived ; but in addition to the receipts from this source, there is a considerable amount brought in hand by persons returning from California, and by immigrants from foreign countries, while at the same time the overland shipments from the mines of Colorado, Montana and Idaho are rapidly increasing, and becoming a very important item in our supply of the precious metals. In the above table it will be seen that from these sources and from private hoards the market has received over 17 millions of gold since the first of January.

The following table gives the fluctuations of gold coin at New York daily for the past month ;

COURSE OF GOLD AT NEW YORK, MARCH, 1867.

Date.	Open'g	Lowest	High'st.	Closing	Date.	Open'g	Lowest	High'st.	Closing
Friday.....	1 140 1/2	138 1/2	140 1/2	139 1/2	Thursday.....	31 124 1/2	124 1/2	124 1/2	124 1/2
Saturday.....	2 129 1/2	129 1/2	129 1/2	129 1/2	Friday.....	32 124 1/2	124 1/2	124 1/2	124 1/2
Sunday.....	3.....				Saturday.....	33 124 1/2	124 1/2	124 1/2	124 1/2
Monday.....	4 129.....	128 1/2	129.....	128 1/2	Sunday.....	34.....			
Tuesday.....	5 128 1/2	126 1/2	128 1/2	126 1/2	Monday.....	35 124 1/2	123 1/2	124 1/2	123 1/2
Wednesday.....	6 126 1/2	125 1/2	126 1/2	125 1/2	Tuesday.....	36 123 1/2	123 1/2	124 1/2	124 1/2
Thursday.....	7 124 1/2	123 1/2	124 1/2	124 1/2	Wednesday.....	37 124 1/2	124 1/2	124 1/2	124 1/2
Friday.....	8 124 1/2	123 1/2	124 1/2	124 1/2	Thursday.....	38 124 1/2	124 1/2	124 1/2	124 1/2
Saturday.....	9 124 1/2	124 1/2	125.....	124 1/2	Friday.....	39 124 1/2	124 1/2	124 1/2	124 1/2
Sunday.....	10.....				Saturday.....	40 124.....	124 1/2	124 1/2	124.....
Monday.....	11 125.....	124 1/2	125 1/2	124 1/2	Sunday.....	41.....			
Tuesday.....	12 124 1/2	123 1/2	124 1/2	123 1/2	March, 1867.....	140 1/2	123 1/2	140 1/2	124.....
Wednesday.....	13 123 1/2	123 1/2	124 1/2	124 1/2	" 1867.....	128 1/2	124 1/2	126 1/2	127 1/2
Thursday.....	14 124 1/2	124 1/2	124 1/2	124 1/2	" 1868.....	201.....	194 1/2	201.....	151 1/2
Friday.....	15 124 1/2	124.....	124 1/2	124 1/2	" 1864.....	159 1/2	159.....	169 1/2	164 1/2
Saturday.....	16 124 1/2	124 1/2	124 1/2	124 1/2	" 1863.....	171 1/2	129.....	171 1/2	149 1/2
Sunday.....	17.....				" 1862.....	102 1/2	101 1/2	102 1/2	101 1/2
Monday.....	18 124 1/2	124.....	124 1/2	124 1/2					
Tuesday.....	19 124.....	123 1/2	124 1/2	124 1/2	See Jan. 1, 1867.....	123 1/2	123 1/2	140 1/2	124.....
Wednesday.....	20 124 1/2	124 1/2	124 1/2	124 1/2					

Foreign Exchange has been more active, and with a diminished supply of bills the tendency of rates has been upward. The range for 60 days bankers' sterling has been from 108@109½, the latter rate having been reached near the middle of the month, since which the quotations has fluctuated between 108½ and 109½. The steadiness of the market for the past two or three weeks has been, in a great measure, due to the near exhaustion of the cotton crop, on which the supply of bills has for some time past materially depended. The following are the daily quotations for bills on the principal commercial centres :

COURSE OF FOREIGN EXCHANGE (60 DAYS)—MARCH, 1897.

Days.	London. cents for \$4 pence.	Paris. centimes for dollar.	Amsterdam. for florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin. cents for thaler.
1.....	108½@109	517½@516½	41¼@41½	79 @79½	86½@86¾	72 @72½
2.....	108½@108¾	518½@516½	41¼@41½	78¾@79	86½@86¾	72 @72½
3.....						
4.....	108½@108¾	518½@516½	40¾@41½	78¾@79	86 @86½	71¾@72
5.....	108 @108½	520 @518½	40¾@41½	78¾@79	86 @86½	71¾@72
6.....	108 @108½	525 @518½	40¾@41½	78 @78½	86½@86¾	71¾@72
7.....	108½@108¾	518½@517½	41¼@41½	78¾@79	86½@86¾	72 @72½
8.....	108½@109	517½@516½	41¼@41½	78¾@79	86½@86¾	72 @72½
9.....	108½@108¾	520 @517½	41 @41½	78¾@79	86½@86¾	71¾@72½
10.....						
11.....	108½@108¾	518½@517½	41¼@41½	78¾@79	86 @86½	71¾@72½
12.....	108½@108¾	518½@517½	41¼@41½	78¾@79	86 @86½	72 @72½
13.....	108½@109	520 @516½	40¾@41½	78¾@79	86 @86½	72 @72½
14.....	108 @108½	516½@515	41 @41½	78¾@79	86½@86¾	72 @72½
15.....	109 @109½	516½@515	41¼@41½	78¾@79	86½@86¾	72 @72½
16.....	108½@109	520 @515	40¾@41½	78¾@79	86½@86¾	71¾@72
17.....						
18.....	108½@108¾	517½@516½	41¼@41½	79 @79½	86½@86¾	72½@73
19.....	108½@109	517½@515	41 @41½	79 @79½	86 @86½	71¾@72½
20.....	108½@109	518½@515	40¾@41½	79 @79½	86½@86¾	71¾@72½
21.....	108½@109	517½@516½	41¼@41½	79 @79½	86½@86¾	72½@73
22.....	108½@109	517½@516½	41¼@41½	79 @79½	86½@86¾	72½@73
23.....	108½@108¾	517½@516½	41¼@41½	79 @79½	86½@86¾	72½@73
24.....						
25.....	108½@109	517½@516½	41¼@41½	79 @79½	86½@86¾	72½@73
26.....	108½@109½	517½@516½	41¼@41½	78¾@79	86½@86¾	72 @72½
27.....	108½@109½	518½@516½	40¾@41½	78¾@79	86 @86½	71¾@72½
28.....	108½@109½	518½@516½	40¾@41½	79 @79½	86½@86¾	72 @72½
29.....	109 @109½	518½@516½	41¼@41½	79 @79½	86½@86¾	72 @72½
30.....	109 @109½	518½@516½	41¼@41½	79 @79½	86½@86¾	72 @72½
31.....						
Mar.....	108 @109½	525 @515	40¾@41½	78 @79½	85½@86¾	71¾@72½
Feb.....	108½@109	522½@515	40¾@41½	78¾@79½	86 @86½	71¾@72½
Jan.....	108½@109½	520 @518½	41¼@41½	78¾@79½	86½@86¾	72 @72½
Jan. & Mar.....	108½@109½	525 @518½	40 @41½	78 @79½	85½@86¾	71¾@72½

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Quarterly Report of the National Banks.—Return of the New York, Philadelphia and Boston Banks.

The quarterly reports of the National Banks made up to April 1, are now being rapidly published, by Mr. Hurlburt the comptroller, under the new form which was issued by him the past month. We are greatly pleased that he should have given them to the public at so early a date, as they lose much of their value if long delayed. The difficulties incident to the gathering of com.

plicated official statistics from numerous and distant sources are well known, and therefore the rapidity with which they have on this occasion been analyzed and a summary prepared and published is the more notable. Below we give the returns for New York, Boston and Philadelphia.

RESOURCES.

	New York		Philadelphia.		Boston.
	Jan. 1.	April 1.	Jan. 1.	April 1.	
Loans & discounts.....	\$157,507,294 27	\$153,953,789 78	\$53,215,080 01	\$56,811,076 24	
Real estate, furniture & fixtures..	5,624,886 76	5,719,027 60	1,185,073 87	1,430,079 61	
Expense account.....	431,050 92	1,074,955 08	435,896 14	31,166 78	
Premiums paid.....	637,324 76	941,100 96	335,847 38	55,143 35	
Cash items (including rev. stamps).	78,755,080 91	69,414,064 77	1,032,735 19	4,516,321 66	
Due from N'l B'ks.....	9,883,918 64	7,947,834 06	4,905,130 79	8,455,871 83	
" other banks.....	4,136,978 64	2,659,853 88	460,494 75	348,094 08	
U. S. Bonds to secure circulation.	42,497,800 00	42,497,800 00	13,718,000 00	29,044,350 00	
U. S. Bonds to secure deposits...	5,170,300 00	4,800,900 00	2,047,800 00	1,225,000 00	
U. S. Bonds & securities on hands	15,751,250 00	15,123,950 00	2,328,550 00	5,947,550 00	
Other stocks, bonds and mortgages..	4,534,610 36	6,200,158 73	1,057,430 24	1,084,150 00	
Bills of Nat'l B'ks.....	2,228,868 00	1,459,115 00	432,985 00	1,355,511 00	
Bills of other banks.....	69,483 00	69,599 00	30,364 00	685,344 00	
Specie.....	10,547,117 30	5,713,722 60	792,087 48	454,968 52	
Compound interest notes.....	22,785,940 00	25,259,450 00	8,843,410 00	11,531,180 00	
Other lawful money.....	41,402,117 59	34,700,373 21	6,410,353 34	6,036,087 49	
Aggregate	\$402,149,036 42	\$377,790,364 23	\$78,045,537 82	\$127,604,735 51	

LIABILITIES.

Cap. stock paid in.....	\$75,009,700 00	\$75,009,700 00	\$16,017,150 00	\$43,550,000 00
Surplus fund.....	17,573,506 57	17,301,440 86	5,175,734 01	6,849,511 10
National b'k notes outstanding...	34,257,816 00	34,973,371 00	11,008,790 00	25,309,508 00
State b'k n. on'ta'g.....	408,637 00	379,753 00	135,083 00	311,258 00
Individual dep't's.....	201,963,194 16	175,493,039 91	25,511,937 95	29,011,725 13
U. States deposits.....	2,319,414 24	2,739,205 55	1,837,404 12	1,465,694 19
Deposits of U. S. Dis'b'g Officers..	4,384 47	996 70	.....	.....
Due to Nat. banks.....	52, 66,889 22	51,841,562 80	5,622,939 44	10,108,134 06
Due to other banks and bankers..	13,373,398 39	12,516,466 93	974,533 83	1,050,694 80
Profits.....	4,870,196 27	7,491,207 48	1,708,818 47	948,256 23
Aggregate	\$402,149,036 42	\$377,790,364 23	\$78,045,537 82	\$127,604,735 51

The money market the last of the month has been much disturbed by the preparations of the National Banks for their quarterly return. From the New York city bank statement it appears that at the close of the month the deposits had been drawn down since the week ending March 9, nearly twelve millions and that the loans have been reduced during the same period nearly eight millions. This large reduction in deposits is due chiefly to the country banks having withdrawn their balances temporarily in order to make a favorable exhibit.

Below we give the weekly bank returns of the three cities.

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5. ...	\$157,502,460	12,794,892	83,763,779	202,553,564	65,096,131	426,987,757
January 12. ...	265,995,458	14,613,477	82,533,108	207,517,608	63,246,370	603,132,006
January 19. ...	255,032,223	15,365,307	83,854,926	201,500,115	63,226,384	590,040,022
January 26. ...	251,674,501	16,014,007	83,367,198	197,968,076	63,426,569	568,822,814
February 2. ...	251,294,355	16,332,98	84,395,347	200,511,596	65,944,541	512,407,258
February 9. ...	250,398,535	16,157,357	82,777, 00	196,341,535	67,622,992	508,835,532
February 16. ...	253,131,338	14,791,526	82,956,309	196,072,292	64,642,940	455,833,829
February 23. ...	257,822,994	13,613,456	82,000,141	193,420,347	63,153,959	443,674,036
March 2. ...	261,106,456	11,579,881	83,394,433	198,010,914	67,014,196	461,534,519
March 9. ...	262,114,658	10,868,193	83,409,811	200,318,527	64,522,440	544,173,256
March 16. ...	263,012,974	9,996,723	84,400,634	197,353,104	63,813,029	496,555,119
March 23. ...	259,400,315	9,143,913	84,512,401	191,375,615	60,904,953	472,102,818
March 30. ...	255,132,364	8,532,619	83,669,193	182,450,260	62,459,811	459,860,602

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 8.....	\$20,209,064	52,312,217	908,663	10,388,880	41,208,227
January 12.....	20,606,255	52,528,491	908,390	10,380,577	41,028,421
January 19.....	19,448,099	52,458,307	877,548	10,381,565	39,048,645
January 26.....	19,363,374	52,108,473	880,583	10,384,653	39,001,779
February 2.....	19,269,198	55,55,120	871,564	10,420,858	39,592,712
February 9.....	19,659,250	52,384,339	873,614	10,449,963	39,811,595
February 16.....	18,892,747	52,573,130	897,110	10,532,973	40,060,717
February 23.....	17,887,598	52,394,731	841,323	10,566,434	38,646,013
March 2.....	18,150,657	51,979,173	816,843	10,5-1,600	39,387,398
March 9.....	17,531,705	51,851,463	832,765	10,572,068	37,314,672
March 16.....	16,965,613	50,513,394	868,023	10,580,911	37,696,001
March 23.....	16,071,780	50,573,490	807,413	10,611,967	34,5-1,545
March 30.....	15,864,948	50,880,306	602,148	10,681,533	34,150,265

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation—	
					National	State.
January 7.....	\$97,009,343	1,183,461	17,053,297	40,824,618	24,590,367	812,664
January 14.....	88,451,778	1,334,300	16,829,495	40,846,816	24,997,446	811,749
January 21.....	95,298,952	1,078,180	16,559,399	39,679,504	24,378,163	301,911
January 28.....	97,891,829	1,058,329	16,816,451	39,219,341	24,718,597	302,338
February 4.....	97,742,461	954,569	16,384,604	39,705,053	24,691,075	306,014
February 11.....	97,264,163	873,366	17,102,479	39,474,359	24,636,663	305,608
February 18.....	96,949,473	929,940	15,398,338	38,900,500	24,768,490	305,903
February 25.....	96,33,900	779,494	15,741,046	37,893,963	24,953,605	303,238
March 4.....	95,087,737	958,867	15,910,479	38,816,573	24,675,767	301,430
March 11.....	12,078,973	695,447	15,719,479	38,712,053	24,344,631	299,518
March 18.....	93,156,446	598,194	16,870,979	38,751,733	24,809,523	299,133
March 25.....	92,661,080	516,184	16,587,905	38,751,723	24,733,723	299,091

PITTSBURG, FORT WAYNE AND CHICAGO RAILROAD.

The operating accounts of this Company for the years ending December 31, 1865 and 1866, present the following results :

	1865.	1866.	Increase.	Decrease.
Passenger Earnings.....	\$2,391,221 46	\$2,441,895 70	\$.....	\$949,825 76
Freight ".....	4,738,067 98	4,707,553 12	.....	31,435 76
U. S. Mail ".....	93,920 00	93,900 00	.....	.....
Express ".....	149,638 08	100,298 43	.....	49,339 69
Clev. & P'b'g RR. lease.....	85,000 00	85,000 00	.....	.....
Rents.....	4,361 12	2,869 00	.....	1,992 12
Miscellaneous.....	26,354 06	35,612 31	10,818 23	.....
Gross earnings.....	\$2,490,063 56	\$7,467,217 56	\$.....	\$1,021,845 00

From which deduct cost of maintenance and operating, viz:

Maintenance of way.....	\$1,844,674 25	\$1,370,538 01	\$.....	\$74,141 24
" of cars.....	581,108 94	552,910 50	27,898 56	.....
" of machin'y.....	1,520,948 54	1,568,196 04	47,247 50	.....
Transportation.....	1,229,978 76	1,339,472 24	59,493 48	.....
General expen. and taxes.....	667,810 00	476,574 55	.....	111,235 45
Cost of operating.....	\$5,235,515 58	\$5,147,686 54	\$.....	\$57,829 04
Balance.....	\$3,253,546 98	\$2,319,531 02	\$.....	\$64,015 96
Add, net income of N. C. and B. V. RR.....	84,381 43	55,460 56	21,129 13	.....
Total net earnings.....	\$3,317,878 41	\$2,374,991 58	\$.....	\$442,686 83

From which were paid the following amounts :

Interest on bonds.....	\$901,435 00	\$870,861 93	\$.....	\$3,123 07
Dividend 10 p. c. and tax.....	91,242 50	1,085,815 79	134,053 29	.....
Sinking fund.....	104,100 00	118,678 67	14,578 67	.....
Clev. & Pittsb'g RR. lease.....	342,49 93	209,048 06	\$.....	133,348 87
.....	\$2,249,361 43	\$2,233,404 45	\$.....	\$15,956 98
.....	\$1,068,513 96	\$641,587 13	\$.....	\$426,926 85

While the earnings of the road for transporting freight in the years 1865 and 1866, were very nearly equal, the quantity of freight transported, and the conditions of the movement varied materially in these years as will be seen by the following comparison :

	1865.	1866.	Increase.	Decrease.
Tonnage.....	881,615	1,035,778	195,163	.....
Mileage, per ton	193,789,901	253,274,794	59,484,893	.....
Average haul, per ton.....	233	227	.....	6
Mileage of loaded cars.....	24,944,877	28,543,569	4,598,692	.....
" of empty cars.....	8,695,118	8,366,136	.....	408,987
Average load (tons) per car, west.....	7:111	7:944	0:183	.....
" " " " east.....	8:502	8:802	0:300	.....
" " " " total.....	7:980	8:173	0:193	.....

This shows an increase of the freight tonnage of the road of 23.2 per cent. The foreign tonnage fell off 19,564 tons and the local tonnage increased 212,727 to a. This change explains the reason of the shortened average haul per ton in 1866 as compared with the haul in the previous year.

The revenue from the transportation of passengers fell off \$949,325 76 from the previous year. Of this diminished income more than one half or \$480,000 was on account of military transportation. The large express business of 1865 was exceptional, and caused by the inability of the lines occupied by the Adams Express Company to accommodate the large south-west business during the closing period of the war—the overflow seeking the route *via* Crestline over the road of this company from Pittsburg.

The rolling stock has been increased during 1866 by the construction at the Fort Wayne shops of 150 box cars. The present equipment consists of 189 locomotives, all in good order; 169 passenger, baggage and express cars, and 1,381 freight cars.

The track is in excellent order and fully equal to that of the best western roads. During 1866 twenty-four per cent. of the main track has been relaid with re-rolled iron; and during the last three years three fourths of the main line of 468 miles has been relaid with new, re-rolled or repaired rails, paid for as repairs out of the current earnings. The side tracks have been increased by 6.9 miles, which makes the total sidings now in use 105½ miles. In addition there are 22 miles of second track from Pittsburg to Rochester, and 7 miles from Chicago to the crossing of the Rock Island Railroad. The construction and equipment has been continued through the year 1866 to a larger extent than was expected. The expenditures on these accounts amount to \$1,116,975 70, viz: in the Eastern Division \$580,926 80, and in the Western Division, \$536,048 90. These amounts include a small sum properly chargeable to 1865.

The financial condition of the company as exhibited on the balance sheets of December 31, 1865 and 1866, is shown comparatively in the following statement:

	1865.	1866	Increase.	Decrease.
Capital Stock.....	\$9,312,442 00	\$9,940,987 95	\$628,545 95	\$.....
Funded debt.....	12,578,509 00	12,568,500 00	.....	7,000 00
Due to other companies.....	184,871 85	40,832 02	.....	144,049 83
Miscellaneous liabilities.....	448,041 34	264,295 73	.....	88,745 51
Cur't exp's in Dec. & prior.....	849,376 13	568,937 14	.....	280,338 98
Due J. F. Lanier, Trustee.....	115,381 13	88,283 79	.....	27,097 34
Balance to credit of income.....	3,063,180 75	3,255,707 98	293,527 23	.....
Total.....	\$36,545,098 00	\$36,927,539 61	381,846 53	\$.....

Against which are charged as follows, viz:

Cost of Railway, &c.....	\$22,162,361 83	\$34,326,744 81	\$1,070,865 48 \$.....
Supplies on hand.....	909,053 93	631,918 89	877,135 11
Due from other companies.....	417,943 84	266,964 73	30,994 11
Miscellaneous assets.....	755,350 14	706,333 43	47,016 51
Sinking Funds.....	208,900 00	275,910 38	22,264,97
Cash in hand.....	1,011,758 85	670,675 59	458,916 74
Total.....	\$26,545,008 09	\$36,227,530 61	\$351,844 53 \$.....

The shares of this company fluctuated in the New York market in 1866 as is shown in the following exhibit:

Jan.....	91½ @104½	May.....	93½ @100½	Sept.....	108 @108½
Feb.....	91½ @95½	June.....	95 @100	Oct.....	106 @111½
March.....	88½ @83	July.....	96½ @103	Nov.....	101½ @111½
April.....	88 @100½	August.....	108½ @106½	Dec.....	104½ @107½

SILVER ON LAKE SUPERIOR.

[From the Chicago Republican.]

Elsewhere, native silver occurs only in connection with gold or with the true argentiferous ores; but hitherto not a trace of silver ore has ever been discovered in the copper district of Lake Superior. The silver occurs in small masses, weighing as much as two or three pounds, and forming specimens of great beauty. It has been found in almost all the veins of Keweenaw Point, in the lodes of Portage, particularly the Isle Royal lode, and in the mines of Ontonagon county. Although the two metals occur in the most intimate association, yet they are hardly ever found alloyed with each other. Frequently two masses of silver and copper form one lump in such a way that the junction of their edges is absolutely perfect; yet the two are chemically entirely distinct and unalloyed. Sometimes beautiful specimens of native silver are found in stopping, or in opening the mine, but the greater part is found by picking over the lumps of copper, which are too heavy to be washed from under the stamp heads by the stream of water that is continually pouring into the mortars, or as the miner calls them, "covers," in which the stamp rock is pulverized. The "covers" are cleaned out at intervals, when a number of those lumps, varying in weight from one dw. to two or three oz. are taken out, and these are picked over by boys who take out the silver. In 1865 the amount of silver found in this way at the Cliff mine sold for \$5,270 17. There is no doubt that a considerable portion of the silver is purloined by the miners, besides that which is so fine as to be carried away to the washers, whence it goes to the smelting works, and with the fine copper there, is melted up and becomes alloyed with the copper. The quantity thus escaping is not, however, sufficient to make it worth while to erect furnaces for separating it from the copper, which is undoubtedly improved by the admixture. It is worth while to notice that the native copper and silver of Lake Superior, side by side, yet perfectly distinct from each other, is one of the very strongest objections to the reception of the Plutonic theory, which accounts for the presence of the copper in the veins and trappean beds of Lake Superior by assuming that it has been injected in a molten state from below.

RAILWAYS IN FRANCE FOR 1865 AND 1866.

A return relative to the working of railways in France in 1866, compared with 1865, has just been issued by the Ministry of Public Works, and the following are the principal features in it:—

OLD NETWORK.

Names of Railways.	Length worked Dec. 31,		Receipts.	
	1864. kilometres.	1865. kilometres.	1866. francs.	1865. francs.
Northern.....	1,066	1,066	78,457,598	78,801,334
Eastern.....	977	977	58,543,511	58,364,418
Western.....	900	900	58,531,375	55,050,018
Orleans.....	1,763	1,763	61,618,123	75,886,464
Lyons and Mediterranean.....	2,007	2,007	166,662,083	144,522,018
Southern.....	197	197	84,688,784	87,571,060
Ceinture (round Paris).....	17	17	2,910,596	2,910,861
Graissessac to Beziers.....	.....	51	.....	826,118
Bessegès to Alais.....	23	23	1,804,407	1,849,831
Aassin to Comains.....	19	19	601,940	599,665
Carmaux to Albi.....	.....	15	.....	191,176
Le Croix-R. to Bethouy.....	7	7	150,008	144,560
Total.....	7,584	7,650	472,183,829	443,707,522

NEW NETWORK.

Northern.....	105	121	4,312,468	2,514,063
Eastern.....	1,563	1,530	41,941,638	33,401,328
Western.....	1,118	957	6,335,500	12,338,065
Orleans.....	1,533	1,305	21,903,384	18,418,972
Lyons and Mediterranean.....	1,490	1,307	37,368,969	35,963,321
Southern.....	819	638	7,987,080	5,687,880
Victor Emmanuel.....	106	116	1,335,148	1,320,547
Total.....	6,798	5,883	131,164,177	116,418,696

RECAPITULATION.

Old network.....	7,584	7,650	472,183,829	443,707,522
New network.....	6,798	5,883	131,164,173	116,418,696
Total.....	14,382	12,533	603,348,001	560,126,218

It will be seen that the old network in 1866 was less by 66 kilometres than in 1865. This was owing to the Graissessac and Carmaux lines having been transferred to the new network of the Southern Company. The term "old network" means the old lines; "new network," the prolongations and embankments there of on which the Government guarantees interest. The 14,382 kilometres worked on Dec. 31, 1866, were in English measure 8,998 miles, and the 12,538 of 1865, 8,461 miles. The receipts of 1866 were £24,133,920, and of 1865, £22,405,048.

Taking the average receipts per kilometre, of the old network, it appears that those of the Northern Railway were 1.80 per cent more than in 1865; of the Eastern, 5.96 more; Western, 6.32; Orleans, 7.82; Lyons-Mediterranean, 8.31; Southern, 6.93; Ceinture, 16.15. The other lines were of no importance. In the new network, in which, it must be remembered, the average length worked during the year was not the length worked at the end of the year, the Northern railways produced 2.52 more; the Eastern 6.50; the Western, 8.58; the Orleans, 1.70; the Victor Emanuel 5.35; but in the Lyons-Mediterranean, there was a decline of 6.33 and in the Southern of 0.55. Taking the old lines altogether, the receipts of 1866 were 7.18 per cent. per kilometre more than in 1865, and the new network 0.50 less.

COMMERCE OF BOSTON.

We take from the Boston *Daily Advertiser* the following statement, compiled from an official source, of the value of imports and exports at the port of Boston for 1866, as compared with the two previous years.

IMPORTS.

The total value of imports for three years has been as follows :

	1865.	1865.	1864.		1865.	1865.	1864.
Jan	\$2,226,868	\$1,192,653	\$1,711,773	August.....	4,551,710	3,192,982	2,182,941
Feb	4,059,759	4,112,471	1,897,001	Septem.....	4,644,544	3,557,911	2,463,372
March.....	4,407,919	1,490,538	2,155,284	October.....	3,792,898	2,636,836	1,930,268
April.....	4,792,830	1,850,636	4,163,761	Novem.....	3,257,692	4,441,903	2,373,618
May.....	4,591,208	2,099,221	3,622,433	Decem.....	2,263,342	2,365,493	1,108,464
June.....	3,936,297	2,212,431	3,216,160				
July.....	3,594,939	2,437,263	2,733,543				
					\$47,922,940	\$29,439,617	\$31,618,096

EXPORTS.

The total value of exports for 1866 amounts to \$21,305,531; for 1865, \$16,530,328; and for 1864, \$20,417,710. The exports for 1866, show an increase of \$4,775,203. The imports are given at their foreign cost in gold. The exports are reckoned at their currency value here. The imports of specie for 1866 amount to \$1,292,943 and the exports of specie to the same time to \$3,789,799. The monthly value of exports were as follows :

	1866.	1865.	1864.		1866.	1865.	1864.
Jan.....	\$1,438,533	\$1,991,971	\$1,453,885	Aug.....	1,301,791	1,144,747	2,479,609
Feb.....	1,281,268	1,597,697	1,086,323	Sept.....	2,086,640	1,381,363	1,915,222
Mar.....	1,686,314	2,604,649	1,393,081	Oct.....	1,739,472	1,209,613	1,965,059
Apr.....	1,697,297	1,049,668	1,518,799	Nov.....	1,564,638	1,511,569	1,912,945
May.....	2,734,808	1,738,601	1,551,481	Dec.....	1,046,039	1,231,414	1,389,968
June.....	2,371,525	1,393,151	1,486,966				
July.....	1,418,557	806,926	1,974,987				
					\$21,305,531	\$16,530,328	\$20,417,710

WITHDRAWN FROM WAREHOUSE.

The value of merchandise withdrawn from warehouse for consumption in 1866 was \$16,463,420, and the amount entered for consumption was \$22,414,100, which shows the value of merchandise thrown upon the market, exclusive of free goods, to have been \$38,877,529 or an increase of \$11,696,059 over that of 1865. The following gives a detailed statement of the value of merchandise withdrawn from warehouse for consumption.

	1866.	1865.	1864.		1866.	1865.	1864.
Jan.....	\$972,855	\$1,157,307	\$636,182	Aug.....	1,562,448	1,500,156	837,946
Feb.....	910,486	700,506	741,247	Sept.....	1,487,552	1,268,247	836,165
Mar.....	905,191	874,920	890,766	Oct.....	1,401,577	877,723	936,419
April.....	1,546,490	1,063,322	1,473,120	Nov.....	1,379,123	718,441	1,012,260
May.....	1,563,968	1,402,408	157,454	Dec.....	977,923	614,591	1,173,113
June.....	1,875,080	1,102,065	226,517				
July.....	2,180,773	1,096,304	659,001				
					\$16,463,420	\$12,490,837	\$9,421,070

NATIONAL BANKS AND CURRENCY CONTRACTION.

The following letter has been extensively put in circulation. It is an indication of the determined efforts that are being put forth for a further inflation of the currency :

OFFICE OF THE MERCHANTS' UNION LAW CO., }
 AMERICAN EXCHANGE BANK BUILDING, }
 No. 128 BROADWAY, NEW YORK, Dec. 21, 1866. }

DEAR SIR—Several of the parties connected with the Merchants Union Law Company having been retained by some of the national banks and others interested, to oppose measures pending in Congress for the further curtailment of the currency, for compelling all such banks to redeem their issues in New York, and for prohibiting them from receiving or paying interest on bank balances. In view of the importance of the questions involved, concert of action has been determined upon ; eminent coun-

sel have been retained at Washington and elsewhere to prepare and present arguments against each of these measures, and in favor of an enlargement rather than contraction of the volume of the currency; and such other measures have been taken as were deemed proper to inform Congress of the wishes and interests of the whole community upon these subjects.

Copies of the blank petitions which have been transmitted throughout the Union have also been forwarded to you, and, after procuring the signatures of your most influential citizens thereto, you are respectfully requested to enclose the same to your Congressional representatives, or to some other member, at Washington, with whom you are acquainted.

Much good may also arise from communicating your wishes by letter to your acquaintances in Congress.

Additional blank petitions, in any number desired, with printed arguments, in pamphlet form, by some of the most eminent counsel in the country favoring these views, will be forwarded to you, free of charge, upon application to this office.

If you approve of the efforts thus made and to be continued in this direction, you are respectfully solicited to contribute to the expenses of the same, by transmitting to this office such retainer in the matter as you shall deem proper—say one-tenth of one mill on each dollar of your capital—being in the proportion of ten dollars on each one hundred thousand dollars of such capital—it being understood, of course that you incur no additional obligation whatever by so doing.

Yours, &c.,

JOHN LIVINGSTON, Secretary, &c.

THE BOOK TRADE.

M. W. DODD, 506 Broadway, sends us the following excellent books :

1. *The Draytons and the Davenants. A Story of the Civil Wars.* By the author of "The Chronicles of the Schonberg-Cotta Family," &c.

Mrs. Charles has long ceased to need any commendation as an authoress. Her writings, so well known and so heartily enjoyed in every household, require only the simple statement of their publication to insure them an immense circle of readers. The present volume is written in the charming style which characterizes all the works of this authoress and contains many well drawn characters. Job and Rachel Foster, the maiden aunts, cousin Placidia, sweet Lettice Davenant, and saintly Lady Lucy, are all excellent in their way. If there is somewhat less vivacity in this book than in several of its predecessors, there is much earnest thought, and an amount of historical information which greatly enhances its true value and interest. A sequel to the Draytons and Davenants will be published during the year, continuing the narrative through the times of the Commonwealth and the Restoration, and containing many incidents connected with the early Puritan history of our own land.

2. *The Women of the Gospels; the Three Wakings and other Poems.* By the author of "The Schonberg-Cotta Family."

Some of these poems have already appeared as scattered pieces in our papers or periodicals, but many of them are now published in America for the first time. Among the shorter poems are some of peculiar beauty and sweetness, and although it is almost impossible to select the best out of so many that are good, we can name "The Child on the Judgment Seat," "The Pathways of the

Holy Land," and "My Strength and My Heart Falloeth," as having especial merit.

3. *The Brewer's Family.* By Mrs. Ellis, author of "Women of England."

"The Brewer's Family," as one might almost infer from the name, is a temperance story, very pleasantly told, and very forcible in its teachings. Mrs. Ellis's writings are always pure in style, womanly in feeling, and of high moral tone. The second story in the book, entitled "Rainy Days, and How to Meet Them," although shorter than the first, is quite as interesting and instructive.

4. *The Brownings: A Tale of the Great Rebellion.* By J. G. Fuller, author of "The Grahams," &c.

This volume contains two stories. The first gives its name to the book; the second is entitled "Lucy Lee, or All for Christ." They are both exceedingly pretty and interesting. The former is a narrative of the sufferings and escape of a Union family at the South in the early part of the war; the latter gives the story of a young girl of intellect and talent who finally turns away from the path to fame, which seems to open before her, to enter upon one of arduous self-denying Christian duty. The book is well fitted for a Sunday School prize, or, indeed, for a present to any young person.

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The following advertisements appear in our advertising pages this month:

MERCANTILE.		INSURANCE.	
Lillie's Fire & Burglar-Proof Safes—108 B'way		Eugene Kelly & Co.—36 Wall St.	
Fowler & Wells—350 Broadway.		DeWitt, Kittle & Co.—88 Wall St.	
L. Prang & Co.—Boston and New York—Holiday Publications, etc.		Simon De Visser—62 Exchange Place.	
Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.		Duncan, Sherman & Co.—Cor. Pine & Nassau.	
Mercantile Library—Clinton Hall, Astor Place and Eighth St.		L. P. Morton & Co.—30 Broad Street.	
Ferdinand Korn—191 Fulton St.—Eau de Cologne.		Robinson & Ogden—4 Broad St.	
Lewis Audendried & Co.—110 Broadway—Anthracite and Bituminous Coal.		Howe & Macy—30 Wall St.	
Grover & Baker—495 Broadway—Sewing Machines.		Gilmore, Dunlap & Co.—Cincinnati.	
A. B. Sands & Co.—120-141 William St.—Drugs.		Lewis Johnson & Co.—Washington.	
J. W. Bradley—97 Chambers St.—Hoop Skirts.		Ninth National Bank—363 Broadway.	
Chickering & Sons—632 Broadway—Pianos.			
BANKERS & BROKERS.			
Tenth National Bank—336 Broadway.			
Barstow, Eddy & Co.—30 Broad St.			
Lockwood & Co.—94 Broadway.			
Vermilye & Co.—44 Wall St.			

THE
MERCHANTS' MAGAZINE
AND
COMMERCIAL REVIEW.

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M A Y, 1 8 6 7.  
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LOUISVILLE—ITS MANUFACTURES, TRADE AND COMMERCE.

Louisville is the commercial depot of the middle portions of Kentucky and Tennessee, and by railroad connections, now in course of being made effective, will at no distant period become the important entrepot of an active commerce between the Southern Atlantic coast and the valley of the Ohio River.

The city is located in latitude 38 degrees 3 minutes, longitude 85 degrees 30 minutes, on the Ohio River, above the falls, 400 miles from its confluence with the Mississippi at Cairo, and 600 miles below the junction of the Alleghany and Monongahela Rivers at Pittsburg. The distance to Cincinnati, by river, is about 140 miles. To New Orleans the river route is nearly 1,500 miles. Altogether, the waterways tributary to the commerce of the city have a length of upwards of 4,000 miles.

The railroads entering Louisville come from the south. The most important of these is the Louisville and Nashville, which has a length of 185 miles, with branches to Bardstown and Lebanon (the latter to be extended to the State line, and there connect with the Knoxville and Kentucky Railroad), and a branch from a point five miles south of Bowling Green towards Memphis, which city, by this route, is only 377 miles from Louisville. By means of this road the city has, or will have, a very complete connection with the Southern system of roads reaching to the Gulf of Mexico, to the Atlantic Ocean, and to the West and Southwest as far as the railroad has yet penetrated. Another important railroad, the Louisville and Lexington, comes in from the southwest from Lexington and

Frankfort. A railroad is also being constructed south of the Ohio, so as to connect Louisville directly with Cincinnati. The only railroads reaching Louisville from the North are the Jeffersonville and the Louisville, New Albany and Chicago; but through those the city has ample connection with the Northern system of railroads. The Jeffersonville Railroad, in connection with the Ohio and Mississippi Railroad, forms the present route from Louisville to Cincinnati, but a more direct route is projected by a railroad following the river from Lawrenceburg to Jeffersonville. The Louisville and Portland Canal admits the passage of river steamers, and connects the upper and lower navigation of the Ohio.

Louisville stands on a high, broad plateau, 70 feet above the river, and rising into back-ground hills. This area is so sloped and graded by nature as to afford excellent drainage. It is regularly laid out, the streets crossing at right angles, and the principal ones are threaded by passenger railroads, extending back to the outskirts.

The town of Louisville and the County of Jefferson, of which it is the capital, were laid out in 1780. Kentucky at this time was a wilderness. The Indian perogue, the keel boat, and subsequently the flatboat, the Western broadhorn, were in those days the only means of transportation and travel on the Western waters. In 1812 Fulton built the steamboat Orleans, 400 tons burden, at Pittsburg, and this was the first that ever descended the Ohio and Mississippi Rivers. The subjection of steam to navigation exercised a most extraordinary influence on the prosperity and commerce of this as on all the river towns, and completely revolutionized the modes of locomotion, economizing time by speed, and making travel a pleasure, instead of being, as heretofore, a hardship. In 1828 the town was elevated to the dignity of a city, with enlarged limits. At this time the population was not more than 8,000. It has now upward of 120,000 inhabitants, and is valued at \$43,108,569. The steps by which this great population and wealth have been acquired are shown in the following statement:

Census.	Population.	Valuation.	Census.	Population.	Valuation.
1790.....	52	\$.....	1850.....	43,194	\$13,350,052
1800.....	306	91,188	1860.....	68,083	27,873,008
1810.....	1,357	210,475	—(and by local census in)—		
1820.....	4,012	1,655,226	1866.....	125,800	43,108,569
1830.....	10,352	4,816,132			
1840.....	21,210	18,840,164			

The extraordinary increase in the valuation of 1840 was due to speculation in real estate, which in the years immediately preceding had crazed the whole country.

Manufactures generally centre at those points where power and fuel are cheapest and most abundant. Louisville in this respect presents advantages unequalled by any place in the Southwest. Its water power is beyond accurate measurement, while its facility of navigation by river are unsurpassed, and its railroad connections calculated to make it a grand centre of trade and commerce. The water power of the falls exceeds that of the present laboring population of the State, and if adequately used would turn a thousand mills. From returns collected in 1866 there were 421 manufacturing establishments in the city, a tabular statement of

which is subjoined. The capital employed in these is more than twelve million dollars, and the number of hands nearly eight thousand, producing annually to the amount of 27½ million dollars. The details of these interests are as follows :

Establishments.	Num- ber.	Capital.	Hands.	Value of Products.
Agricultural implements.....	6	\$220,000	240	\$2,300,000
Breweries and distilleries.....	40	250,000	162	776,804
Boat builders.....	5	270,000	250	1,200,000
Brick makers.....	6	50,000	85	197,500
Brush and broom manufactories.....	4	18,000	20	25,692
Candy manufacturers.....	6	92,500	60	147,000
Candle ".....	12	300,000	119	684,500
Chemical works.....	1	50,000	20	125,000
Carriage builders.....	8	165,000	90	237,000
Cement factories.....	3	270,000	55	540,000
Coopers.....	9	68,000	40	150,000
Cordials.....	2	2,000	8	5,000
Cigar manufacturers.....	91	100,000	50	232,700
Foundries.....	40	2,356,000	1,650	8,766,000
Furniture manufacturers.....	13	310,000	275	522,450
Flour mills.....	7	255,000	76	1,580,000
Gas works.....	1	815,000	150	343,444
Glue factories.....	2	6,000	10	12,000
Glass works.....	1	20,000	35	35,000
Gold pens.....	2	6,000	3	7,200
Hair workers.....	3	12,000	8	16,000
Lead works.....	1	50,000	20	150,000
Mineral water works.....	2	5,000	6	8,000
Oil manufacturers.....	11	150,000	142	340,006
Paper mills.....	2	450,000	195	1,563,713
Piano manufacturers.....	2	70,000	50	140,000
Paper collars.....	1	10,000	6	7,000
Pump makers.....	3	5,000	7	10,000
Potteries.....	2	10,000	8	16,000
Pepper, allspice, etc.....	2	8,000	7	12,000
Picture frames.....	3	12,000	30	20,000
Rope and bagging.....	6	670,000	210	977,784
Saddles and harness.....	15	950,000	124	1,950,000
Scales, trucks, etc.....	3	15,000	10	26,000
Steam bakery.....	1	30,000	20	83,950
Soap manufacturers.....	12	300,000	110	570,000
Saw mills, etc.....	15	800,000	500	3,850,000
Stone works.....	3	170,000	65	250,000
Tanneries.....	15	600,000	200	756,000
Terra Cotta.....	2	20,000	21	28,000
Tobacco factories.....	24	500,000	2,100	1,276,900
Vinegar.....	4	12,000	6	15,000
Water company.....	1	775,000	150	135,000
Wagon manufacturers.....	7	30,000	28	55,200
Washing machine manufacturers.....	4	25,000	12	36,500
Whiskey and alcohol.....	7	640,000	235	1,620,000
Wood manufacturers.....	8	330,000	220	685,000
Woolen manufacturers.....	2	60,000	60	93,132
Total.....	419	\$12,319,500	7,923	\$27,517,458

From this table it appears that the most important manufactories in Louisville are its saw mills, foundries, agricultural implement factories, saddleries, distilleries, flour mills, paper mills, tobacco factories and boat

building establishments. The rope and bagging factories, tanneries, candle and soap factories, breweries, cement factories and others are also on a large scale. The largest number of hands are employed in the foundries and tobacco factories.

The tobacco trade is the oldest interest, as it is also one of the most important in which Louisville is engaged. From the earliest time it has been a conspicuous industry. The trade has developed wonderfully. The increase of this great interest is shown in the following statement:

	The receipts	
From Nov., 1825 to Nov., 1829 were.....	12,488 hhds.,	or 3,109 per annum.
From Nov., 1829 to Nov., 1839 "	31,983 "	or 3,198 "
From Nov., 1839 to Nov., 1849 "	62,135 "	or 6,213 "
From Nov., 1849 to Nov., 1859 "	136,360 "	or 13,636 "
From Nov., 1859 to Nov., 1865 "	237,800 "	or 39,560 "

The largest receipts and sales were made in 1864, when the quantity sold reached 63 322 hogsheads, valued at \$11,961,802. In the city and county there are 24 manufactories of chewing and smoking tobacco.

The number of cigar manufactories is 91, and the number of cigars returned for taxation in 1864-65 was 5,022,730.

The foundry business, including workers in iron, copper, brass, &c., is a very large and increasing interest. These consume about 400,000 bushels of coal per annum. These establishments turn out the best steamboat work, as well as other kinds of machinery. The steamboats of Louisville, indeed, have a high reputation from Pittsburg to New Orleans. One of the principal foundries possesses complete arrangements for casting gas and water pipes, and is now turning out about ten tons a day, with the expectation of being able to increase the quantity to twenty tons. The Louisville rolling mills is a very extensive concern, with a capacity of turning out 9,000 tons a year.

In the flouring business there are some eight or ten steam and water mills. Some of these mills are also manufacturers of corn meal, and in addition there are several extensive grist mills, which are exclusively engaged in the production of meal. The product of these mills in 1865 was 128,500 barrels.

Two steam paper mills are now in operation. They are purchasers to the extent of \$500,000 of rags, tow, straw, &c., used in the manufacture of various qualities of paper.

Plows and agricultural implements are made in Louisville by the thousand. The carpenter, joiner and house-building department is very great. The saddlery, harness, trunk and other similar branches, besides the boot and shoe business, are prosecuted by many establishments, some of which are very extensive. Leather of all kinds and qualities is produced largely. A morocco factory is also in operation. Carriages and wagons and other kinds of vehicles are manufactured on an extensive scale. Barrel and box making is of necessity a large interest; and a large number of hands are employed in other wood manufactures, as doors, sashes, blinds, etc.

The different cotton and woolen factories in the city produce of their respective fabrics to an aggregate value of \$360,000 per annum. In addition to these fabrics the product of the Cannelton and Bonharbor Mills, brown sheetings, osnaburges, cotton yarus, battings, &c., are mainly sold in the Louisville market.

Inexhaustible quarries of hydraulic cement rock are found in the vicinity. In its manufacture three companies are engaged, each capable of turning out 300 barrels a day. There are also extensive chemical works in the city. Glass and terra-cotta articles are also manufactured chiefly ornamental work for buildings, but also water-pipes and various other useful articles.

Before closing this section of our descriptive history of the industries pursued in the city, we must also speak of the establishments which supply it with water and gas. The water works were constructed six or seven years ago, at a cost, to January, 1861, of \$1,250,000, and with two Cornish engines and pumps raise near 500,000,000 gallons of water into the reservoir annually. The length of main and distributing pipe is about 50 miles. The city is the principal owner, holding \$775,000 of the \$800,000 capital subscribed and paid in. The gas company, with a capital of \$615,000, manufactures annually nearly 100,000,000 cubic feet of gas, of which two-thirds are sold to private consumers. The length of pipe laid throughout the city is 52½ miles, and the number of city lamps in use 1,360. About 12,000 tons of coke are produced annually.

The import and export trade of Louisville in 1850 was estimated at \$50,000,000. The same trade in 1866 amounted to \$225,000,000 which duplicated for buying and selling is \$450,000,000; but to this may be added at least \$50,000,000 for the trade originating from the manufactures produced in the city and the neighborhood. Hence the total trade in the last named year is properly computed at \$500,000,000, participated in by a population of 125,000 being at the rate of \$4,000 per capita. The imports and exports were of nearly equal value as shown in the annexed table abbreviated from the Annual Review of John W. Clarke & Co., for the year ending March 31, 1866:

IMPORTS AND EXPORTS BY RIVER AND RAILROAD.

IMPORTS.			EXPORTS.		
Articles.	Quantity.	Value.	Articles.	Quantity.	Value.
Alcohol, bbls.	985	\$187,150	Alcohol, bbls.	1,661	3,2,800
Ale and Beer, bbls.	32,598	295,982	Ale and Beer, bbls.	13,349	111,141
Bagging, pieces	14,586	459,433	Bagging, pcs.	15,588	367,640
Bale rope, coils.	13,998	206,267	Bale-rope, coils.	26,786	424,040
Coal, bushels.	15,946,250	3,816,462	Coal, bush.	10,227,198	3,009,297
Cattle, head.	77,169	6,173,520	Cattle, head.	6,900	563,114
Cheese, pkgs.	37,096	409,200	Cement, bbls.	49,663	134,049
Coffee, sacks	48, 24	2,104,000	Cheese, pkgs.	11,539	126,400
Cotton, bales.	56,825	13,936,750	Coff. c. sacks.	34,089	1,604,900
Cotton yarns, pkgs.	12,337	495,640	Corn, sacks.	109,825	152,660
Crockery ware, crates.	2,835	28, 575	Cotton, bales.	84,461	8,616,250
Drugs, pkgs.	41,985	9,225,000	Cotton yarns, pkgs.	7,161	285,640
Flour, bbls.	103,620	1,006,200	Crockeryware, crates, &c.	4,507	450,700
Fruits, pkgs.	68,728	687,720	Candles, boxes.	18,292	203,560
Glass, pkgs.	70,563	423,300	Drugs, pkgs.	38,678	7,000,160
Hay, bales.	105,000	316,300	Feathers, acks.	3,722	169,160
Hardware, pkgs.	249,834	2,498,840	Flour, bbls.	110,627	1,110,627
Hemp, bales.	11,046	575,200	Glass, pkgs.	21,931	787,000
Hides, bbls, &c.	51,825	24, 705	Hay, tons.	6,163	123,360
Hops, head.	143,842	3,774,059	Hardware, pkgs.	194,077	1,999,080
Horses and mules, No.	10,065	1,049,525	Hides, bbls, &c.	229,711	124,360
Iron, pcs, bbls, &c.	209,706	1, 45,580	Horses & Mules, No.	6,306	549,425
Iron, pig, tons.	15,000	750,000	Iron, pieces	141,658	786,897
Leather, rolls.	5,912	151,554	Iron, tons.	2,687	134,350
Lard, tcs.	2,376	290,000	Leather, rolls.	10,297	262,554
Lumber, M.	3,918,457	1,500,000	Lard, tcs.	7,489	750,008
Liquor, pkgs.	48,657	2,500,000	Liquor, pkgs.	31,464	1,500,000
Mercandise, pkgs.	589,619	53,961,900	Mercandise, pkgs.	32, 543	32,154,900
Molasses and sirup, bbls.	29,503	1,366,975	Nails, kegs.	24,007	163,144
Nails, kegs.	44,234	221,531	Oil, bbls.	8,266	612,680

IMPORTS.			EXPORTS.		
Article.	Quantity.	Value.	Article.	Quantity.	Value.
Oil, bbis.	13,165	1,412,630	Pork & Bacon, cks & tcs	5,525	676,500
Pork & bacon, cks & tcs	5,816	661,500	Pork & Bacon, bbis.	18,011	594,863
Pork & bacon, bbis.	7,681	237,154	Sundries, pkgs.	526,561	31,536,460
Sundries, pkgs.	1,360,707	81,642,420	Sugar, hhds.	1,463	261,400
Sugar hhds.	5,412	1,042,400	Sugar, bbis.	23,349	1,424,681
Sugar, bbis. &c.	54,196	2,673,860	Salt, bush.	663,750	341,676
Sheep, head.	50,324	206,083	Seed, pkgs.	9,311	135,800
Salt, bbis.	161,293	615,177	Tobacco, hhds.	42,537	6,404,999
Tobacco, hhds.	43,677	6,519,259	Tobacco, boxes.	44,834	2,076,336
Tobacco, boxes, &c.	10,969	632,360	Tea, pkgs.	1,969	180,140
Tea, pkgs.	8,883	330,140	Tallow, bbis.	2,962	17,202
Whiskey, bbis.	21,637	1,833,350	Whiskey, bbis.	22,658	1,983,500
Wheat, bushels.	878,986	757,832	Wheat, bush.	76,747	34,809
Wool, sacks.	2,394	133,578	Wool, sacks.	2,364	133,532
Wine, barrels and pkgs..	6,744	670,830	Wine, barrels and pkgs..	5,000	550,830
Total (including sundries).		\$212,076,354	Total (including sundries)....		\$212,556,742

On the 1st January, 1866, there were twenty incorporated banks, four of which were National Banks. The total capital of these institutions was \$13,393,922, and at date the loans and discounts amounted to \$13,804,285, the circulation to \$1,056,742, and the specie held to \$3,595,123. In addition there were some ten or twelve private banking houses engaged in making loans, buying and selling exchange and receiving deposits. The average capital of these was about \$35,000 or in all from \$25,000 to \$300,000.

The shipping of the district of which Louisville is the port in 1850 measured 11,819, all enrolled and licensed steamboats. In 1865 the measurement was 72,222 tons and during this year 30 steamboats 6,576 tons were built. The arrivals of steamboats at Louisville in 1865-6 was 3,781, and the departures 3,720, or exceeding 20 arrivals and departures daily. The average measurement of these steamboats is about 250 tons, and the average carrying capacity about 450 tons, ranging from 24 to 880 tons each. The largest of these vessels is the Stonewall 880 tons, and the second largest the Ruth 854 tons, the latter being considered the most magnificent steamer on the river. The other large steamers are the St. James 700 tons, the Indiana 637 tons, the Virginia 590 tons, and the Frank Bates 540. The Stonewall, St. James and Frank Bates were among the steamers constructed in 1855-66. These steamers ply in regular lines to Cincinnati, St. Louis, New Orleans and other parts. In connection with steamboat building are two extensive shipyards on the Point, a third just going into operation, and three shipyards at Jeffersonville, in addition to the yards at New Albany.

FINANCIAL CONDITION OF THE STATES.

It is not a mere morbid curiosity, nor a diseased love for misfortune, which asks to know the full extent of the losses consequent upon the late war. Such an inquiry is essential to any well directed effort at national economy; it is necessary for the guidance of legislation upon matters of State or federal finance; and its effect must be wholesome in checking the too prevalent tendency, inherited from more prosperous times, to run into extravagant expenditures. No people can properly regulate their expenditures, either national or individual, while they are

ignorant of their liabilities; and to increase debts largely without correspondingly economizing expenditures is, to say the least, a dangerous experiment.

In this view, it is much to be regretted that there are no accessible returns showing the whole extent of the changes in the financial condition of the country within the last five or six years, the most eventful period of our history. We have precise data showing the increase of the debt of the national Government; and are also able to show the changes in the indebtedness of the several States; but of the very important obligations contracted by the counties, towns and cities, in their efforts to place their quota of troops in the field, there is no data which would justify an attempt at an approximate estimate of their aggregate. The annual reports to the several State Legislatures, however, afford the material for ascertaining the changes in the debts of the States. With much pains, we have been enabled to procure returns from nearly every State, showing their indebtedness in 1866, and below present a comparison of these figures with those of 1860, adding also the taxable valuation of the respective States and their population, so far as it could be ascertained:

INDEBTEDNESS, VALUATION AND POPULATION OF STATES, 1860 AND 1866.

States.	Population.		Taxable valuation.		Indebtedness.	
	1860.	1866.	1860.	1866.	1860.	1866.
Alabama	964,301	.....	\$ 190,477,236	.....	\$5,043,000	\$6,304,973
Arkansas	435,450	.....	28,729,419	.....	3,092,622	3,352,401
California	379,944	.....	143,193,510	.....	3,386,000	4,974,954
Connecticut	460,147	.....	224,962,514	.....	50,000	10,000,000
Delaware	112,216	.....	39,767,238	.....	<i>nil.</i>	750,000
Florida	140,434	.....	.....	.....	388,000	638,963
Georgia	1,067,286	.....	672,322,777	.....	2,670,750	5,706,500
Illinois	1,711,951	2,141,510	368,702,043	.....	10,179,267	8,632,952
Indiana	1,350,428	.....	455,011,878	.....	10,366,855	7,668,475
Iowa	674,913	754,783	197,833,280	.....	315,063,401	222,296
Kansas	107,206	140,179	22,18,232	50,949,643	<i>nil.</i>	660,896
Kentucky	1,155,684	.....	525,212,693	.....	5,479,244	5,228,092
Louisiana	708,002	.....	400,454,747	.....	225,000,000	10,022,903
Maine	628,279	.....	.....	.....	1,087,787	5,803,651
Maryland	687,049	.....	296,490,056	.....	14,082,975	.....
Massachusetts	1,231,086	1,267,069	897,795,826	.....	7,175,978	25,535,747
Michigan	749,113	808,745	275,762,771	.....	3,473,432	5,703,324
Minnesota	173,123	254,119	8,561,498	.....	57,988,511	2,525,000
Mississippi	791,305	.....	.....	.....	.....	.....
Missouri	1,182,012	.....	349,569,260	.....	332,681,668	23,923,000
Nebraska	28,841	.....	7,426,929	.....	17,535,881	.....
Nevada	6,857	.....	.....	.....	.....	.....
N. Hampshire	326,073	.....	.....	.....	82,148	4,169,815
New Jersey	672,035	773,700	.....	.....	95,000	3,395,300
New York	3,820,735	3,831,777	1,441,344,833	1,659,452,615	84,182,978	51,753,082
N. Carolina	992,922	.....	.....	.....	9,129,505	11,483,990
Ohio	2,339,511	.....	888,302,601	1,106,308,921	17,223,153	15,351,013
Oregon	52,665	65,090	23,806,951	24,872,763	55,372	218,574
Pennsylvania	2,906,315	.....	595,591,994	202,339,941	87,849,126	35,632,053
Rhode Island	174,620	184,965	125,104,305	.....	<i>nil.</i>	3,626,500
S. Carolina	703,708	.....	489,819,128	90,983,436	8,691,574	5,205,227
Tennessee	1,169,801	.....	877,208,641	.....	16,643,666	25,277,547
Texas	804,215	.....	214,625,416	120,793,763	<i>nil.</i>	2,320,960
Vermont	315,498	.....	.....	.....	<i>nil.</i>	1,567,590
Virginia	1,246,620	.....	642,259,827	327,580,561	33,248,141	45,119,741
V. Virginia	349,698	.....	148,993,982	195,447,170	(in Va.)	(in Va.)
Wisconsin	775,881	865,937	184,062,530	162,320,153	100,000	2,232,191

The changes in the totals of the debts of the States very imperfectly indicate the real increase of debt in the several sections of the country.

* Real estate not included in the valuation of 1866.

In some instances the State was the chief borrower for war purposes ; in others, the town and county organizations borrowed for their local wants, and the State Government afforded but little direct aid. This circumstance will, in a measure, account for the great inequalities between the several States, in comparing their present debts with those of 1860. In the three large States of Illinois, Ohio and Indiana, which contributed largely toward the prosecution of the war, there has been a decrease from \$37,689,275, their combined debt in 1860, to \$31,857,745 in 1866. In the case of these States it is clear that a large proportion of the amounts raised for war purposes must have been borrowed by the local organizations. On the other hand, the six States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont, the combined debts of which in 1860 amounted to only \$8,295,913, have since swelled their State liabilities to \$50,772,246, Massachusetts alone having increased its debt \$18,379,679. New Jersey, from a debt of \$95,000 in 1860, has grown to \$3,395,200. Pennsylvania has reduced her debt over two millions ; having, in consideration of her large State indebtedness, prudently thrown the onus of borrowing for war purposes upon the local governments. In New York we have swelled the State debt from \$34,182,975, in 1860, to \$51,753,082 in 1866 ; yet, as showing how imperfectly this increase represents the aggregate addition to the indebtedness of the people of this State, it may be stated that the city of New York alone has added over ten millions to its debt since 1863. The Southern and border States generally show a large increase of debts ; which results not from the incurring of new obligations, but from the non-payment of interest for a period of five years. The young State of Missouri has added to its obligations \$13,222,928 ; while its population has been drained, and its property devastated by repeated invasions. Tennessee has not only had her resources crippled through being made the theatre of some of the most notable campaigns, but has augmented her debt \$8,633,681. In one respect the Southern States may be said to be in a more fortunate position than others. Their liabilities contracted during the war were wiped out by their surrender ; and they have no increase of State or local burthens, except what may arise from the funding of overdue interest ; so sadly, however, have their resources been impaired that they are less able to sustain their fiscal burthens than the States of other sections.

The taxable valuation of the respective States, perhaps, affords the most reliable criterion of their present condition, as compared with that previous to the war. Unfortunately, however, the available statistics are not sufficiently complete to enable us to arrive at any general conclusion, under this head of comparison. The returns, so far as they go, show that there has been, in the Southern and border States, a large decrease in the taxable valuation of property ; while, in other sections, there has been a slight increase. In 1860 the valuation in the seven States, Arkansas, Kentucky, Louisiana, Missouri, South Carolina, Texas and Virginia, amounted to \$2,745,000,000, and in 1866, to only \$1,527,000,000, showing a decrease of \$1,218,000,000, or *forty-four per cent.* This reduction includes the loss of about 1,860,000 slaves ; which, valued at \$350 each, probably fully their assessed valuation, would amount to \$650,000,000 ; leaving \$568,000,000 as the net reduction. This decline in

valuation may be partially due to the fact that the present prostration of the South renders all kinds of property less valuable than it would be were its resources being actively utilised; but the figures, nevertheless, show a state of extreme depression. In the eight Western States, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Ohio and Wisconsin, the total taxable valuation was, in 1860, \$2,426,000,000, and, in 1866, \$2,877,000,000; the increase being at the average rate of 18 per cent. The largest ratio of increase occurs in California, being nearly \$50,000,000, or 33 per cent. Of the New England States we have no returns, except from Connecticut, which shows an increase of \$41,000,000, or 18½ per cent. In the State of New York the increase is \$218,000,000, or 15 per cent. In making these comparisons it must be kept in mind that the valuation of 1860 represented gold values, while that of 1866 represents a condition of things in which all values were inflated to the extent of nearly double the normal figures. Official valuations probably have not followed very closely the advance in the market value of property; but, perhaps, it may be safely asserted that they have been enhanced in a ratio exceeding the rate of increase which is shown to have occurred in the aggregate taxable value of the Western and Eastern States; and this being true, what progress can we have made in real wealth, even in the most favored sections, within the last five or six years? These statistics seem to countenance the opinion strongly held by some reflecting minds that, during the war, we consumed much more than we produced, and came out of it with a heavy loss of accumulated resources.

The returns of population presented above are incomplete, representing only one-third of the States; but they, nevertheless, throw some light upon this important branch of popular statistics. The figures from eleven States, including seven Western, show a growth of population from 10,202,208, in 1860, to 11,081,793 in 1865; the ratio of increase for the five years being 8¼ per cent. This gives an average yearly rate of increase of 1½ per cent., against 3½ per cent. during the last decade. It should, however, be taken into account that these returns are from States to which the tide of emigration flows steadily, and which, more than other sections, have had their war mortality compensated by the influx of foreigners. In Massachusetts, where the increase during the decade 1850-60 was 24 per cent., the growth for the five years 1860-65 was only 3 per cent., or one fourth the former rate. In New York State, according to the showing of the State census, there has been a slight decrease; while in New Jersey there has been a liberal increase, probably owing, in no small degree, to our overcrowded city population seeking relief in the neighboring State. Upon the whole, it would seem very clear, from the foregoing considerations, that the war has left us with an enormous increase of debt, a diminution of our accumulated resources, and a suspension of the wonted rate of increase in population. The moral to be drawn from these facts is very obvious. With an increase of debt and a loss of resources, the country needs a rigid economy of State and individual expenditures, and a prompt and positive veto of all propositions involving the issue of new obligations.

SOUTHERN RAILROADS.

1. *Richmond and Danville.* 2. *Richmond and Petersburg.* 3. *Mississippi and Tennessee.*
4. *Southside (Va.) Railroad.*

RICHMOND AND DANVILLE RAILROAD.

The Richmond and Danville Railroad Company, chartered and organized in 1847, completed their road, which extends from Richmond to Danville, 140½ miles, in the spring of 1856. The State of Virginia owns three-fifths of the company's share capital, also a State loan of \$400,000, and has guaranteed its debt to the amount of \$200,000. The operating accounts of the fiscal years ending September 30, 1860 and 1866, compare as follows:

	1860.	1866.	Increase.	Decrease.
Passenger earnings.....	\$152,589 98	\$304,983 27	\$52,393 84	\$.....
Freight earnings.....	384,473 73	380,378 36	.....	4,094 36
Mails, express, &c.....	23,641 78	76,331 68	52,539 90	.....
	\$560,904 43	\$661,743 31	\$100,833 83	\$.....
United States transportation.....	.....	10,970 69	10,970 69	.....
Total earnings.....	\$560,904 43	\$673,714 00	\$111,809 57	\$.....
Ordinary expenses.....	278,575 96	387,924 31	169,348 35	.....
Earnings less expenses.....	\$282,328 47	\$284,789 69	\$2,461 22	\$.....
Extraordinary expenses.....	103,166 68	818,995 67	710,828 99	.....

The earnings for 1865-66 include those of the Piedmont Railroad, extending from Danville, Va., to Greensboro, N. Car. 48½ miles, which this company leased and have operated since February 20, 1866, at the fixed rent of \$75,000 a year. Included in the ordinary expenses are \$30,000 paid on this account, and also \$16,739 11 paid on account of internal revenue tax. The whole line operated by the company in 1859-60 and in 1865-66, is thus stated in the reports for those years:

Lines owned and operated.	1859-60.	1865-66.
Main line: Richmond to Danville.....miles	140.50	140.50
Branch line: Manchester to Rocketts.....	1.55	1.53
Length of sidings and turnouts.....	11.92	11.25
Total owned by R. & D. R. R. Company.....miles	153.97	153.27
Add Piedmont Railroad: Danville to Greensboro.....	.....	58.50
Sidings and turnouts on same.....	.....	1.98
Total operated by R. & D. R. R. Company.....miles	153.97	203.75

The whole track from Richmond to Greensboro is now laid with heavy rail, and with the exception of about 20 miles north of the Appomattox River, which it is proposed to relay, is in fair running order. During the year 1,100 tons of new iron were laid down in place of worn-out rail, and 114,958 cross-ties. The rolling stock October 1, 1860 and 1866, is represented in the following statement:

	Loco-motives.	Pass.	Bagg'e.	Box.	Platf'm.	6-wh cars	4-wh.	Total
1860.....	23	20	10	189	52	60	99	420
1866.....	25	16	5	145	49	48	22	260

The present stock of engines is considered ample for the prospective business of the road for several years to come. The additions in the

last fiscal year consisted of 7 locomotives, 5 passenger and 41 freight cars.

The miles of road operated in 1859-60 was 142, and the average in 1865-66 (including seven months operations on the Piedmont Railroad) 171 miles. The train mileage in these fiscal years compares as follows:

	Passenger.	Freight.	Coal.	Service.	Total.
1859-60.....	94,734	119,361	10,065	23,759	267,899
1865-66.....	114,066	78,399	6,194	41,393	239,951

—the total in 1859-60 being 1,816 miles, and in 1865-66, 1,403 miles to the mile of road operated, which shows a reduction in the latter year of 413 miles for each mile of roadlength in operation.

The passenger traffic on the road is represented in the following statement:

Fiscal year.	—Westward—		—Eastward—		—Total—	
	Passengers carried.	Miles traveled.	Passengers carried.	Miles traveled.	Passengers carried.	Miles traveled.
1859-60.....	41,166	2,099,415	40,175	1,944,263	81,330	4,043,677
1865-66.....	31,139	1,815,127	31,547	1,533,490	62,686	3,353,617

The return of 1865-66 does not include Government passengers, 5,253 of whom traveled 515,672 miles. Including these the total number of passengers was 67,939, carried 4,169,289 miles.

The tonnage statement for the two years is shown in the following table:

Fiscal years.	—Westward—		—Eastward—		—Total—	
	Tons carried.	Miles carried.	Tons carried.	Miles carried.	Tons carried.	Miles carried.
1859-60.....	43,483	4,823,811	26,619	3,301,931	70,102	7,120,743
1865-66.....	24,305	2,342,731	43,916	1,926,397	68,121	4,169,028

The financial condition of the company, as stated in the general balance sheets of Oct. 1, 1860 and 1866, compares for the two periods as follows:

	1860.	1 66.		
Capital stock.....	\$1,981,297	\$1,981,297	Increase..	\$.....
Funded debt.....	1,200,000	1,717,500	"	517,500
Interest due on bonds.....	.....	79,547	"	79,547
" on State loan.....	.....	84,000	"	84,000
Loans, &c.....	.....	37,984	"	37,984
Bills payable.....	73,603	699,303	"	625,700
Sundries.....	88,430	54,084	"	15,554
Transportation balance.....	550,743	2,149,437	"	1,598,694
Total.....	\$3,844,033	\$6,803,157	Increase..	\$2,959,074

Against which are charged the following accounts, viz.:

Cost of road and property.....	\$3,736,037	\$4,917,500	Inc.	\$1,191,463
State loan sinking fund.....	33,909	74,909	Inc.	36,000
Stock in Piedmont R.R. Co.....	.....	1,488,500	Inc.	1,488,500
Balance due ".....	.....	202,575	Inc.	202,575
Sundry accounts.....	21,460	67,666	Inc.	46,306
Cash in banks.....	57,377	62,007	Dec.	5,670
Total.....	\$3,844,033	\$6,803,157	Inc.	\$2,959,074

From this account it would appear that the R. & D. Company not only lease, but are the actual owners of the Piedmont Railroad.

The funded debt of the Company Oct. 1, 1860 and 1866, stood at the following amounts :

	1860.	1866.		
Virginia loan, 7's, redeemable 1867-68.....	\$600,000	\$600,000	...	.....
Bonds guaranteed by Va., due 1871-76.....	200,000	200,000		
Bonds (extended).....	400,000	30,500	Dec.	\$69,500
" (4th mort.) registered due 1873.....		504,000	Inc.	504,000
" " coupon due 1875.....		322,000	Inc.	322,000
" For funding interest, due '69 to '76.....		61,000	Inc.	61,000
Total.....	\$1,200,000	\$1,717,500	Inc	\$516,500

The Virginia State Bonds are redeemable in 34 years from April 8, 1853, to September 30, 1854, by the payment of an annuity of 7 per cent. This covers 6 per cent. interest and 1 per cent. principal; the latter, by continuous re-investment at 6 per cent. yielding the principal sum in the 34 years above stipulated for. From the ledger it appears that the company are indebted to the State on this account two years' instalments amounting to \$84,000.

The over-due interest on the guaranteed and mortgage bonds is being taken up by an issue of funding bonds, payable at short dates from 1869 to 1876. Interest on all bonds but the State loan has been paid as it became due since January 1866. The bills payable, which form a very large item in the general account, it is proposed to liquidate by an issue of ten years' bonds.

The ultimate amount of the funded debt will probably be raised to \$2,500,000. If the net earnings be maintained as shown by the result of last years' earnings at \$284,000, and they are more likely to increase than decrease, a debt to this amount can be safely managed. The interest at 7 per cent. will be \$175,000, leaving \$109,000 for sinking fund and what extraordinary expenditures on the road exigencies may demand.

RICHMOND AND PETERSBURG RAILROAD.

The Richmond and Petersburg Railroad forms one of the links in the south coast line of railroads, and may be described as follows :

Main Line—Richmond to Petersburg.....	22.50 miles.
Branch Line—Junction to Port Walthall.....	2.50 "
Total length owned by company.....	25.00 "
Leased and operated—Clover Hill Railroad.....	23.00 "

Hitherto the want of close connections with the Richmond, Frederick and Potomac Railroad at Richmond, and with the Petersburg Railroad at Petersburg, has been detrimental to the prosperity of the company. To supply these a separate organization—the Connection Company—was chartered in 1865, and is now constructing the necessary works at Richmond, which will be completed this Spring. At Petersburg the R. & P. Company are constructing similar works, involving a bridge over the Appomattox, to be finished at an early date. These connections, and a bridge, as projected, over Cape Fear River, at Wilmington, will give a line without breaks from Washington to Kingsville, S. C., and thence to Charleston and the South generally. During the year the Clover Hill Railroad was extended $4\frac{1}{2}$ miles to Osborne's, on the James River.

This road is now reported to be in perfect order. The rolling stock consists of 8 locomotives (which were run during the year 67,004 miles), 8 passenger cars, 3 baggage and mail cars, 2 express cars, 42 freight cars, and 74 coal cars.

The total freight carried (including coal, 18,315 tons) was 26,822 tons. The number of passengers carried was 49,793½. In the year ending 30th September, 1860, the freight (including 42,857 tons of coal) amounted to 57,269½ tons, and the total number of passengers carried was 77,599. The following account shows the earnings from all sources in the years 1859-60 and 1865-66 comparatively :

	1859-60.	1865-66.	Increase.	Decrease.
Passengers.....	\$80,360	\$79,394	\$... ..	\$966
Freight.....	56,744	55,186	.....	1,558
United States mail.....	6,788	2,137	.....	4,651
Expenses and extra baggage.....	8,838	7,044	.....	1,794
Miscellaneous.....	4,825	94,220	19,395	.....
Total earnings.....	\$151,905	\$167,881	\$15,976	\$.....
Operating expenses.....	67,024	107,097	.....	40,073
Net earnings.....	\$84,881	\$60,784	\$.....	\$24,107

The extraordinary expenses of the year 1865-66 amounted to \$250,-421 25, made necessary chiefly by the great fire at Richmond, on the 3d of April, 1865, which destroyed the James River bridge and a large amount of rolling stock. These expenditures were provided for by an issue of 8 per cent. bonds to the amount of \$175,000.

The financial condition of the Company at the close of the official year 1866, is stated in the following account :

Capital stock, subscribed by individuals, 3000 shares.....	\$300,000 00
" converted loans, @ \$50, 8,280 shares.....	161,500 00—461,500 00
" subscribed by State, old stock, 2,000 shrs.....	200,000 00
" new stock, 1866.....	185,600 00—385,600 00
10,096 shares entitled to equal dividends, accounted for at.....	\$847,100 00
Funded debt: 7 p. c. coupon bonds due June 1, 1875.....	\$78,500 00
" 7 p. c. registered.....	52,000 00
" 6 p. c. coupon bonds due July 1 1875.....	13,500 00
" 8 p. c. due Sept. 1, 1870.....	175,000 00—319,000 00
Bills payable.....	16,058 41
Open accounts.....	23,469 18
Total.....	\$1,210,624 59

Against which are charged as follows, viz :

Cost of road and property.....	\$922,892 89
Loss by fire, April 3, 1865.....	254,318 30—668,504 09
Branch road to Port Walthall.....	4,539 09
Reconstruction of road.....	219,852 50
Land purchase.....	45,878 26
Cost of property less fire damages.....	\$979,273 94
Assets—Company's stock.....	\$12,126 06
" —open accounts.....	4,127 40
" —cash on hand.....	3,422 24—19,675 70
Profit and loss.....	211,674 95
Total.....	\$1,210,624 59

The following table shows the business of the road yearly since 1854 :

Year ending	Tonnage			Tonnage	Number	Passen-	Total re-
Sept. 30.	Coal.	Freight.	Total.	Receipts.	of Pas-	enger re-	ceipts, incl.
1854.....	53,478	21,511	74,989	\$67,000	80,760	\$63,383	\$139,438
1855.....	45,430	14,360	59,790	65,000	78,037	69,897	145,702

1866.....	36,867	31,814	58,071	61,413	86,920	81,265	151,947
1867.....	44,836	16,964	61,700	63,327	99,806	84,423	157,400
1868.....	49,022	14,409	63,434	63,236	88,355	80,521	156,908
1869.....	44,992	14,740	59,733	59,461	77,944	88,277	157,542
1860.....	42,857	14,413	57,270	56,744	77,599	80,260	151,906
1861.....	44,199	15,175	59,374	58,064	71,357	74,985	150,438
1862.....	50,608	30,143	80,750	97,026	202,308	167,913	300,981
1863.....	37,163	40,929	78,092	174,556	394,599	333,225	545,659
1864.....	36,381	58,219	94,604	235,006	400,260	378,986	741,596
1865 (3 months).....	4,743	611	5,354	11,474	11,043	19,436	39,100
1866.....	13,315	8,507	26,823	55,186	49,773	79,293	107,881

MISSISSIPPI AND TENNESSEE RAILROAD.

Memphis, Tenn., is connected with Louisville and the north by a railroad line of 377 miles, and with New Orleans by a line of 393 miles—making the length of the grand route from Louisville to New Orleans 770 miles. The Mississippi and Tennessee Railroad is a link in the southern division of this railroad chain, occupying the space (about 100 miles) between Memphis and Grenada, the latter being the point where it makes connection with the Mississippi Central and Tennessee Railroad, which is continued by the New Orleans, Jackson and Great Northern Railroad to New Orleans.

To get to Mobile from Memphis it is necessary to go east on the Memphis and Charleston Railroad to Corinth, 93 miles, and then south by the Mobile and Ohio Railroad 328 miles—making the route from Memphis to Mobile 421 miles. By an extension of the Mississippi and Tennessee Railroad from Grenada to the Mobile and Ohio Railroad at Artesia, a distance of about 75 miles, a more direct route would be made, and the distance between the ultimate termini be reduced to 394 miles. This improvement is in contemplation.

When the late war ended the Mississippi and Tennessee Railroad was a complete wreck, and literally without rolling stock. On the 1st May, 1865, only 30 miles were in operation. The finances of the Company were in a most desperate condition; not an available dollar on hand, nor assets on which money could be realized. By pledging future freight, however, some \$65,000 were raised, and the work of reconstruction commenced in the month of July. Inadequate as this amount was for the purpose, it afforded a basis of credit, and, aided by the receipts from operations, which increased as the work progressed, the whole line was made fit for ordinary use early in the ensuing January. The reconstruction and restocking of the road, however, was chiefly the work of the fiscal year 1865-66, the doings of which are covered by the 10th annual report of the company now before us, and were accomplished at a cost of \$381,018. The total damages by the war are estimated at \$310,250, of which \$117,650 is credited to the Federal, and \$132,600 to the Confederate forces. All this destruction, and that incident to time and disuse, had to be replaced. This has been accomplished so far as the immediate needs of the company require, but still much remains to be done to make the road safe and durable.

The following statement compares the earnings and operating expenses for the year ending September 30, 1860 and 1866. In the first year the road was incomplete and only 81 miles in operation; in 1865-66 the

whole road was not operated until Jan. 3, 1866, and probably the average length operated did not exceed that of 1859-60 :

	1859-60.	1865-66.	Increase.	Decrease.
Passenger earnings.....	\$77,698 28	\$164,878 55	\$87,280 27	\$.....
Freight ".....	150,066 06	189,476 88	39,410 82	.....
U. S. Mail ".....	4,425 00	4,568 38	143 38	.....
Express ".....	1,447 75	7,802 41	6,354 66	.....
Privileges.....	177 50	511 00	333 50	.....
Gross earnings.....	\$283,704 59	\$397,259 17	\$113,547 68	\$.....
Gross expenses.....	106,692 41	252,936 29	146,238 88	.....
Net earnings.....	\$127,012 68	\$114,325 88	\$.....	\$12,686 30

Included in the expenses of 1865-66 is the sum of \$59,403 60 checked as extraordinary, which makes the ordinary expenses at \$193,522 69, and the net earnings at \$173,729 48, being an increase over those of 1859-60 of \$46,617 30.

The amount of rolling stock on hand at the close of the fiscal years 1859-60, 1864-65, and 1865-66, is shown in the following table :

Sep. 30,	Loco- motives.	Stock of train cars.				Work g cars.	
		Pass.	Mail,	&c. Box	Platform.		
1860.....	7	6	3	37	68	114	22
1865.....	5	7	1	38	89	85	19
1866.....	8	7	1	52	89	99	22

—more than one-half of them requiring repairs, and many of them entire refitting.

The financial condition of the company as of October 1, 1860 and 1866, compares as follows :

	1860.	1866.	Increase.	Decrease.
Capital stock.....	\$530,536 69	\$625,399 49	\$44,873 80	\$.....
Funded debt.....	785,700 00	1,069,600 00	263,900 00	.....
Mississippi 2 p c. fund.....	20,949 07	21,949 00	.....	.....
Bills payable.....	209,946 67	467,475 09	257,528 42	.....
Small notes circulating.....	.....	115,141 95	115,141 95	.....
Other accounts.....	43,223 49	122,028 98	78,805 47	.....
Transportation past year.....	218,434 65	367,353 17	148,917 52	.....
Cash.....	1,948 84	.....	.....	1,948 84
Profit and loss.....	229,088 35	1,563 61	.....	227,524 74
Total.....	\$2,329,917 76	\$2,969,400 34	\$659,482 53	\$.....

Against which are charged as follows, viz. :

	1860.	1865.	Increase.	Decrease.
Construction.....	\$1,003,427 11	\$2,010,181 12	\$406,704 01	\$.....
Equipment.....	163,203 09	180,832 54	17,629 75	.....
Interest and discount.....	379,787 11	.....	.....	379,787 11
General and contingent expenses.....	74,292 81	53,454 61	.....	21,837 70
Operating accounts.....	79,854 68	240,979 52	161,124 44	.....
Reconstruction.....	.....	363,437 03	363,437 03	.....
Bills receivable.....	12,915 05	2,369 75	.....	10,555 30
Indiv dual accounts.....	.....	119,463 14	119,463 14	.....
Other accounts.....	11,488 41	4,623 61	.....	6,864 60
Cash on hand.....	.....	10,118 47	10,118 47	.....
Total.....	\$2,329,917 36	\$2,969,400 34	\$659,482 58	\$.....

The funded debt at the two dates stood comparatively as follows :

	1860.	1865.	Increase.	Decrease.
Tennessee loan, 6 per cent.....	\$96,000	\$167,800	\$69,800	\$.....
First mortgage, 7 per cent....	400,000	600,000	200,000	.....
Income bonds, 10 per cent.....	88,500	297,500	209,000	.....
Mississippi loan, 6 per cent.....	199,300	.....	.....	119,300
Convertible bonds, 8 per cent.....	.....	4,300	4,300	.....
Total (as above).....	\$785,700	\$1,069,600	\$263,900	\$.....

The floating debt (viz., bills payable, circulation, and other accounts),			
as per ledger, amounts to.....			\$725,595 07
Add coupons on 1st mortgage bonds past due.....	\$108,242 67		
on income.....	123,301 27		236,443 94
Total fundable in 8 per cent. consolidated bonds.....			\$962,039 01

The income bonds, which fall due in 1870, will also be fundable in the same bonds.

When all this funding has been completed the total bonded debt will be \$2,067,800, and the interest thereon \$156,068. The ability of the road to earn this amount cannot well be questioned, and before the funding is completed it should earn a much larger amount. The earnings over ordinary expenses as heretofore shown, for the year 1865-66, with an incomplete road and a deficiency in rolling stock, amounted to \$173,729 48.

SOUTH SIDE (VA.) RAILROAD.

The South Side Railroad constitutes a principal link in the chain of railroads between the seaboard at Norfolk and the Mississippi at Memphis, and prospectively a link in the line, now being constructed, via Knoxville and Cumberland Gap to the Ohio River at Cincinnati and Louisville. As a distinct work it extends from Petersburg to Lynchburg, with a branch from the first named place to tide-water at City Point, as follows :

Main line—Petersburg to Lynchburg.....	128 miles.
Branch line— " to City Point.....	9 "

At the commencement of the fiscal year ending Sept. 30, 1866, the re-establishment of the roadway and stations which had been destroyed during the late war, and the necessary repairs of locomotives and cars were yet incomplete, while much remained to be done to make the rolling stock equal to the business demand of the road. At that time also, the very important structure, the bridge over the James River, was not completed, and, in fact, was not in usable order until February 1, 1866. This, however, and all other works of immediate necessity were carried forward as rapidly as possible; but from want of means the whole property is still left in anything but a desirable condition.

Even at the present time the equipment of the road is in sufficient for the service demanded of it. It consists of 13 locomotives, 7 of which were added during the last year, and 110 cars, 29 of which are needing repairs. The train mileage of the year was 211,623 miles, viz.: passenger trains, 90,376; freight trains, 86,440 miles; material trains, 24,990 miles, and switching trains 9,817 miles.

The gross earnings of the company from transportation for the year 1865-6, as compared with those of 1858-59, show the following results:

	1858-59.	1865-66.	Increase.	Decrease.
From passengers.....	\$179,019 82	\$105,708 87	\$.....	\$73,312 95
" freight.....	211,150 06	162,738 97	.....	48,411 09
" mail.....	20,000 00	6,649 92	.....	13,350 08
" express.....	.....	11,449 15	11,449 15	.....
Hire of cars.....	.....	3,038 97	3,038 97	.....
Total gross earnings.....	\$410,168 88	\$289,580 88	\$.....	\$120,588 00

Previous to the war the revenue of the road was very largely derived from local business, and for five years of its existence previous to that period, averaged in round numbers \$371,000 per annum gross, or about \$31,000 per month. For the fiscal year last past, when its receipts have been only in part and not until lately drawn from the transit trade of the country within reach of its connections, it amounted to \$289,580 88 or monthly to \$24,131 74. The receipts from local business were very fairly maintained from the accumulations of products during the war (which were hurried into market) until the month of May; since which time they have settled down to the low average of \$12,000 per month. In the meanwhile the revenue from foreign freights increased from \$4,000 to \$16,000, carrying the gross earnings of the road up to \$29,000 per month. Hence, it is thought that with the return of reasonable prosperity to the country through which the road passes, and the proper development of the transit trade which rightly belongs to the great route of which it forms an essential link, as between the Mississippi Valley, and the Atlantic seaboard, its future success is not doubtful.

The receipts and disbursements of the company in cash from the 1st October, 1865 to the 30th September, 1866, are shown in the following abstract of the Income Account :

RECEIPTS FROM		DISBURSEMENTS FOR	
Agents and Conductors.....	\$369,173 02	Transportation.....	\$122,073 51
Express and baggage.....	8,900 79	Road and Machinery.....	194,781 69
U. S. Government.....	20,097 00	Profit and Loss.....	4,115 51
Connecting lines, &c.....	156,644 81	Interest—Sundries.....	4,071 24
Bills payable—temporary loans..	90,749 07	Pay rolls for labor.....	24,943 37
Miscellaneous.....	2,124 21	Individuals, conn'g lines, &c.....	104,002 04
		Notes payable.....	151,227 98
		Cash short, Oct. 1, 1865.....	5,884 59
		Cash on hand.....	8,522 38
Total.....	\$547,688 00	Total.....	\$547,688 00

Of this total, \$446,501 12 belonged to the accounts of 1865–66 proper. The remainder has been disbursed on account of obligations contracted prior to December 1, 1865. The total liabilities of the company, exclusive of the funded debt, and at the close of 1865–66 are shown in the following memorandum :

I—Obligations contracted prior to Dec. 1, 1865.....	\$146,187 08	
Less amount paid in 1865–66.....	123,114 35	\$24,072 73
II—Obligations contracted in 1865–66.....		95,954 89
III—Interest on funded debt to Jan. 1, 1866.....	207 843 00	
Less amount satisfied.....	56,000 00	151,843 00
IV—Interest on funded debt to Jan 1, 1867.....		50,754 00
Liabilities outstanding Jan. 1, 1867.....		\$323,634 62

The nature of this indebtedness rendered its adjustment impossible, except upon the basis of immediate satisfaction, and in view of the hesitancy with which foreign capital now makes investments at the South, the further issue of bonds, in subordination of liens already upon the road was deemed a useless resort. In this state of the case the last General Assembly of the State, on the application of the company for a transfer or assignment of the State claim and mortgage upon the road and its property, to the proper authorities of the company, passed an Act under the authority of which bonds for \$1,000 each, and to the amount of \$709,-

000, that being the balance due the State to the 1st January, 1866, on her loan of \$800,000, have been issued and duly certified by the Board of Public Works, as prescribed by the terms of the Act. These bonds bear 8, per cent. interest, payable semi-annually by coupons in New York, and run in even sums of \$100,000 for 18½, 19½, 20½, 21½, 22½ and 23½ years, and in the sum of \$109,000 for 24½ years from July 1, 1866. The successful consummation of these plans will relieve the company from all present embarrassment, and enable it to resume the payment of interest for and from the 1st July, 1866. The funded debt of the company at the close of the fiscal year 1865-66, stood as follows :

6 per cent. 1st mortgage bonds, guaranteed by Petersburg, dated April 21, 1855, and due Jan. 1, 1870 and 75	\$300,000 00
6 per cent. 3d mortgage bonds of Jan. 12, 1855, payable Jan. 1, 1864, \$14,900; 1870, \$300,000, and 1872, \$100,000	814,900 00
6 per cent. special mortgage to City of Petersburg, of April 21, 1854, payable Jan. 1, 1865 and 1868, in equal instalments	175,000 00
8 per cent. mortgage bonds, payable Jan. 1, 1868, \$4,500; 1868, \$18,500; 1867, \$6,000, and 1869, \$18,000	42,000 00
7 per cent. State (Vn.) Loan, payable by 1 per cent annually as a redemption fund \$900,000, less amount paid to date	708,102 34
Total amount, Sept. 30, 1866	\$1,540,002 34

The condition of the company, according to the report of the treasurer, made for the fiscal year ending Sept. 30, 1866, is exhibited in the following abstract :

Capital stock	\$1,365,600 00
Funded debt	831,900 00
State loan	800,000 00
Transportation account to date	5,648,91 07
Sales of old iron, &c., in 1865-66	76,744 49
Bills and notes, pay-rolls, &c., (current)	124,381 88
Total	\$8,848,076 94

Against which are charged as follows, viz. :

Construction account	\$3,538,272 58
Maintenance of way, to date	\$648,893 92
General management, "	391,875 97
Transportation, "	2,678,165 40—
Interest account to date	1,190,025 33
Profit and loss, discounts, &c.	205,983 80
Cost of lot at City Point	8,000 00
War account	167,944 91
Other assets, including \$8,582 83 cash	18,914 98
Total	\$8,848,076 94

The liabilities and claims against the company outside the books, and including coupons to July 1, 1866, are stated by the Treasurer at \$185,447 64.

Since the date of the report, from which most of the above facts have been obtained, the Legislature of Virginia has passed an act for the consolidation of the Norfolk and Petersburg, the South Side and the Virginia and Tennessee railroad companies into a single corporation, which, with the connecting lines in the States west of Virginia, will constitute a through line under the title of the Atlantic and Mississippi Railroad, from Norfolk (Va.) to Memphis (Tenn.). This proceeding carries out the idea of a great Southern through-line entertained by the original projectors of the separate works, but which had hitherto been held in abeyance.

RAILROAD EARNINGS FOR MARCH.

The gross earnings of the under-specified railroads for the month of March, in 1866 and 1867, comparatively and the differences (increase or decrease) between the two periods, are exhibited in the subjoined statement:

GROSS EARNINGS 1866 AND 1867, COMPARATIVELY.

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$338,480	\$438,046	\$49,566	
Chicago and Alton.....	290,111	288,862		\$1,249
Chicago and Great Eastern.....	110,079	98,872		11,207
Chicago and Northwestern.....	609,633	747,592	137,759	
Chicago, Rock Island and Pacific.....	276,180	258,507		17,673
Erie.....	1,070,917	1,139,523	68,611	
Illinois Central.....	506,466	417,552		88,913
Marietta and Cincinnati.....	62,910	84,662	1,742	
Michigan Central.....	337,188	376,210	38,022	
Michigan Southern.....	412,892	379,761		33,131
Milwaukee and Prairie du Chien.....	72,126	72,000		126
Milwaukee and St. Paul.....	128,937	134,900	10,943	
Ohio and Mississippi.....	596,336	279,647		316,689
Pittsburg, Fort Wayne and Chicago.....	662,143	678,350	16,187	
St. Louis, Alton and Terre Haute.....	192,138	174,152		17,986
Toledo, Wabash and Western.....	266,407	250,000		16,407
Western Union.....	89,299	86,892		2,407
Total (17 roads).....	\$5,758,661	\$5,738,122	\$47,472	\$.....

Notwithstanding the damages by the Spring floods in the West, which, this season, have been of extraordinary volume, the aggregate earnings on a less mileage of road by 50 miles, surpass those of the corresponding month of last year. This is certainly more than was anticipated, and is highly satisfactory.

The statement which follows shows the miles of road operated, and the gross earnings per mile of the same roads for the same months:

GROSS EARNINGS PER MILE OF ROAD OPERATED.

Railroads.	Miles Road		Earnings		Incr.	Dec.
	1866.	1867.	1866.	1867.		
Atlantic & Great Western.....	507	507	\$766	\$864	\$ 98	\$.....
Chicago and Alton.....	280	280	1,086	851	...	185
Chicago and Great Eastern.....	224	224	491	419	...	72
Chicago and Northwestern.....	1,032	1,032	691	724	133	...
Chicago, Rock Island & Pacific.....	423	423	663	599	...	54
Erie.....	798	793	1,217	1,557	340	...
Illinois Central.....	708	708	714	690	...	194
Marietta and Cincinnati.....	261	261	331	337	6	...
Michigan Central.....	265	265	1,183	1,316	133	...
Michigan Southern.....	534	534	787	723	...	64
Milwaukee & Prairie du Chien.....	224	224	308	307	...	1
Milwaukee and St. Paul.....	275	275	451	490	39	...
Ohio and Mississippi.....	340	340	940	823	...	138
Pittsburg, Ft. Wayne and Chicago.....	468	468	1,415	1,449	34	...
St. Louis, Alton and Terre Haute.....	210	210	915	829	...	86
Toledo, Wabash and Western.....	484	484	530	516	...	14
Western Union.....	177	177	222	206	...	16
Total (17 roads)....	7,270	7,230	\$792	\$802	\$10	\$.....

This shows an average gain, as compared with March, 1866, of \$10 on the mile of road operated. The earnings of the Erie Railway have increased most largely, the receipts showing an excess of \$340 per mile. On the Chicago and Northwestern and the Michigan Central the increase over last year was \$133 per mile, and on the Atlantic and Great Western \$98 per mile. The Chicago and Alton, which has suffered most largely from flood damages, has lost \$185 per mile. The Ohio and Mississippi

earned \$138 and the Illinois Central \$124 per mile less than in the corresponding month of 1866.

The gross earnings of the same roads for the first quarter of 1866 and 1867, compare as shown in the following table :

RESULTS OF THE 1ST QUARTER OF 1866 AND 1867, COMPARATIVELY.

Railroads.	Gross earnings.		Earnings p. mile.	
	1866.	1867.	1866.	1867. Incr. Dec.
Atlantic and Great Western.....	\$1,809,836	\$1,177,083	\$2,569	\$2,321 \$.. \$248
Chicago and Alton.....	738,504	831,547	2,637	2,230 417
Chicago and Great Eastern.....	279,924	266,721	1,249	1,191 58
Chicago and Northwestern.....	1,648,918	2,074,967	1,598	1,962 364 ..
Chicago, Rock Island and Pacific.....	726,644	706,630	1,718	1,668 50
Erie.....	3,241,598	2,963,926	4,066	4,049 17
Illinois Central.....	1,613,784	1,481,891	2,279	2,305 26 ...
Marietta and Cincinnati.....	257,299	257,764	1,025	1,027 2 ...
Michigan Central.....	883,392	962,968	2,107	2,879 772 ...
Michigan Southern.....	1,010,270	984,919	1,928	1,880 48
Milwaukee and Prairie du Chien.....	278,808	296,000	1,191	1,261 70 ...
Milwaukee and St. Paul.....	879,068	411,700	1,372	1,499 121 ...
Ohio and Mississippi.....	839,886	741,619	2,470	2,181 289 ...
Pittsburg, Ft. Wayne & Chicago.....	1,703,131	1,761,266	3,639	3,763 124 ...
St. Louis, Alton & Terre Haute.....	626,151	473,152	2,505	2,253 252 ...
Toledo, Wabash and Western.....	676,683	688,467	1,397	1,422 25 ...
Western Union.....	120,407	103,137	680	553 97
Total (17 roads).....	\$16,231,753	\$16,071,816	\$2,223	\$2,226 \$.... \$6

THE RAMIE (BOEHMERIA TENACISSIMA.)

The following account of a new staple, which is to become a competitor for the place occupied by cotton in the industrial economy of the South, is from the pen of A. B. Bacon, Esq., Chairman of the Section of Agriculture, New Orleans Academy of Science. The importance of the subject and the general interest it has elicited among planters are sufficient reasons for the reproduction of the article in the *Merchants' Magazine*. We ask for it a careful reading, being confident that if all that is said of the plant be true, we are indeed on the eve of a grand economical revolution :

As it is one of the duties of this Academy to bring into notice any new plant which botanical science has opened to light, and which mechanical invention has made useful, it is with very great satisfaction that we present to your consideration the *boehmeria tenacissima*, which was transplanted from the Island of Java, in the year 1844, into the Jardin des Plantes, Paris, by the Naturalist Blume, member of the Institute of France, and which has been, within the last eleven years, introduced to practical usefulness in the appropriate soil and climate of Mexico, by M. Benito Roezl, formerly at the head of the Horticultural Institute of Belgium.

A brief review of the history of this plant, and of those textiles with which it may be compared, may not be uninteresting. Flax and hemp, which like it furnish from their stalks the fibre which is used for threads, have been in use among civilized nations almost from the origin of man. But with all the discoveries made in chemistry, all the skill in cultivation, the result of centuries of use, and all improvements made in mechanical contrivance, they have never yet been made to cheaply clothe the multi-

tude with neat and comely fabrics. The former, indeed, possesses all needed beauty; but the supply is scant and it is comparatively costly; while hemp has never yet been so improved as to furnish clothing suitable for man.

Undoubtedly an invaluable addition was made to the use of the world when the vegetable wool, borne by the cotton plant—*gossypium herbaceum*—was brought into general employment in the looms of the commercial nations of Europe. How far back in man's history it has been thus employed in India and China, it is hard to discover. The name it bears with us, cotton, was derived from the Arabs, whose clothing were in European use as early as the beginning of the Christian era, and it was, doubtless, cultivated in Spain by the Moors as early as the tenth century. It was found by Cortes and his followers in Mexico on his arrival there, and the seed of the best varieties of it in cultivation among us were brought from that country.

It was not, however, until the latter end of the seventeenth century that much effort was made to manufacture it in Europe; nor until the close of the eighteenth that it met with any appreciable success; about which time the plant was introduced into these States for cultivation. The first date of export furnished by statisticians is in 1791, when 189,316 pounds were sent to England. As there were then no manufactories in this country, this may be regarded as constituting the bulk of the entire crop.

We have already stated that the new Japanese textile was first brought to European notice in 1844, twenty-three years ago. A native of the tropics, it did not flourish in the open air. Its learned patron found it an asylum in the Jardin des Plantes, and gave it the botanical name of *Boehmeria tenacissima*, placing it under the care of Decaisne, then director of that great botanical garden. It was the latter who made the discovery of its practical usefulness, and published a description of it in April, 1845, in the *Journal pratique et de jardinage du Doctor Buzio*, with the title of "Researches respecting the Ramie, a new textile plant." It was also described in the Dictionary of Natural History, by D'Orbigny, vol. 9, page 222, and by a number of other students of nature.

The Ramie belongs to the family of the *urticaceæ*, of which the common nettle is the simple and best known integer, and to which the hemp plant also pertains. It acquires a height much like that of the latter, with a diameter at the ground of one or two centimetres. Its leaves are from pedicellate, acuminate and dark underneath. The observation may here be dropped, that they are heartily relished by animals, and might be well used as food for them.

The experiments of the eminent French botanists above named, and of M. M. Fortune, Belastier, Forbes, Leclancher and others, satisfied them, as it did M. Benito Roehl afterwards, that this *Boehmeria*—the ramie—possessed the following advantages:

1. That the fibre of the ramie is stronger than that of the best European hemp.
2. That it is fifty per cent. stronger and better than the best Belgian flaxen or linen fibre.
3. That the ramie fibre may be spun as fine as that of flax, and that it will be doubly durable.
4. That the plant is a vigorous grower, and will produce far the greatest amount of textile fibre of any one hitherto known.

5. That it will produce within the belt in which it flourishes from three to five annual crops, each equal to the best gathered from hemp.

But neither France nor Belgium were warm enough for its useful growth; and so the Belgian botanist, who desired to develop the usefulness of this plant, looked out for a more suitable climate. Attracted by the hopes which centre in the new world, trusting that Mexico would soon export from its rich soil the fruits of hidden treasure which agriculture would develop, he emigrated, some eleven years ago to the latter country; having first gone out to Java, and spent a year there, observing the growth and learning the history of the ramie, plants of which he brought back and carried with him to Mexico.

On his way up to the capital he suffered the usual fate of travelers, and was robbed of his box of plants of the ramie, which to him was an invaluable treasure; but in which the highwaymen were greatly disappointed after they had carried it to their hiding places. Not discouraged, he applied, through English horticultural savants, to their Government, and through their navy obtained another supply, which was sent to England; but the plants perished before they reached the cold shore of Albion. Another like attempt had like failure; the boehmerie arrived, but arrived a corpse. The third was more successful; yet it was necessary to place it in hot house cultivation after it reached England, to give it strength to make another great voyage.

In 1859, after six years of waiting in his new and strange home in Mexico, M. Roezl had tidings that his earnestly coveted plants had arrived at Vera Cruz; but many days had elapsed after their entry at the custom house, before he learned of it. The city was at that time in a state of siege from Miramon; yet to the man of science, and the benefactor of the husbandman, and the artisan, the passways were opened, and he came and took back with him to Santocomapan, near San Andres Tuxtla, in the State of Vera Cruz, where he now lives, the half dead remains of these "daughters of Asia." All the skill of the horticulturist, and all the science of the naturalist were put to the test to preserve them as germinators. These were successful; and within the two years which followed, he found himself the owner of a large plantation.

Here another difficulty presented itself—that of economically, and without injury, ridding the plant of the resinous, woody, and other refuse matter, so that the pure white textile fibre might be readily and cheaply presented unimpaired to the spinner and weaver for their use.

Mr. R. procured from England the best and most approved machines for cleaning flax and hemp; but these proved altogether unable to meet the requirements of so exquisitely fine a fibre. Two years of importation were thus spent in vain. He then undertook to supply the want himself; and the result was, after four years of experiment and study, the invention of the two very simple implements, which may be driven by hand or by other power, and which instead of requiring months of soaking, rotting, drying and bleaching, as is the case with flax linen, will, within twenty-four hours after the stalks have been cut, produce the long skeins of pure white and silk-like thread, free from wood and resin and all other impurities, ready for the spinner's use.

Anxious to impart the knowledge of his success to others, M. Roezl made a journey in February just past to Cuba, where he was received with the

attention due to the naturalist whose name is mentioned in works of the highest repute in Europe, with respect for his researches and scientific travels. The progressive Siglo, and the cautious, deliberate and profound Diaro, devoted columns to the explanation of the uses and cultivation of the ramie, and D. Juan Poey and D. Fernan Perez, eminent and scientific agriculturists of Cuba, declared it to be vastly superior to linen in strength and firmness, and to cotton, not only in these qualities, but in productiveness; and they prophesied that it would, on that Island, supplant tobacco and coffee in the list of preferable staples.

Mr. Roezl, continuing his voyage, is now in this city, on his way back to Vera Cruz, and from him and the leading journals at Havana, these particulars have been gathered. Specimens of the fibre which he brought with him have been placed under our eye for examination, and they satisfy all the high encomiums bestowed upon it.

The ramie, as Mr. R. informs us, is planted like sugar cane, by laying the stalks or canes about two or three inches under the prepared earth in rows. The first crop from this planting will reach only two or three feet in height, when it will be found ripe for the knife, and should be cut close to the ground. These stalks will not produce the thread in perfection. From the stubble thus cut, new plants will raise and attain a greater height, and be cut in like manner again and again, until in Santocomapam, Mr. R. takes off five crops in each season, the plant, when well rooted, reaching the height of twenty feet; each crop being equal to one of hemp as cultivated in Europe. It is his opinion that, in this country, Florida, Louisiana, and the middle and southern portions of Georgia, Alabama, Mississippi and Texas, are alone suited in climate to its profitable growth; and that here from three to four crops of it may be made in each year.

The plant, when once rooted in the soil, is exceedingly hardy, and in this climate a perennial one. It will be greatly benefitted by cultivation; but neglect will not endanger it. It has no insect enemies dangerous to its growth or existence. If, when ripe for the knife, the cutting of it is delayed through any fortuitous circumstance, it is not injured by standing. The machinery invented by Mr. R. for cleansing it may be provided at a very moderate cost, and is simple and comparatively light of carriage.

It remains only to add, as to its practical value, that, in 1865, Mr. Roezl sent fifty tierces, containing over 5,000 Spanish pounds of the textile to England, and that it was there sold at double the price of the best quality of cotton. Fabrics woven from it will be exhibited in the approaching world's exhibition of Paris, woven in the looms of Lyons, Belgium and England. Its great productiveness will doubtless in the end reduce the cash value of it in the manufacturing market; but with it that of cotton, linen and other rivals.

As it will be, even more than cotton, a Southern staple, as it has vast advantages over the latter in almost every respect, and as it is peculiarly adapted to our altered and now more solitary system of labor, it is with especial pleasure that we now introduce it to the consideration of the Fellows of this Academy, and through them to the agriculturalists of our State and region.

\$2,220,265 on the credit of the State. Of this amount all but \$40,954 was redeemed. These notes bear no interest, and were made due May 4, 1864. A subsequent act, however, passed April 10, 1849, allowed certain re-issues to be made, of which \$55,672 are still outstanding, making the total liability of the State on account of these issues \$96,626.

The amount of "interest certificates" outstanding at date was \$13,086 52, to which may be added the amount of interest due for which certificates have not been claimed, hence not issued, viz.: \$4,448 38—making a total on this account of \$17,535 90. These certificates were originally issued to holders of the public loans for interest due in 1842–3–4. Under acts passed April 29, 1844, and April 14, 1845, these certificates were ordered to be funded. The following statement shows the amount of certificates so issued, the amounts funded under the laws named, the amounts paid into the Treasury on account of debts due the Commonwealth, the amounts redeemed at the Treasury, and the amounts still outstanding:

Issued for Interest due—	Amount issued.	Funded 1844-45.	Paid into Treasury.	Redeem'd	Outst'd	Amount uncl'd.
August 1, 1842.....	\$863,033 76	\$328,446 47	\$5,641 42	\$34,947 72	\$3,998 15	\$255 10
Feb. 1, 1843.....	864,016 97	886,411 71	55 00	25,217 84	2,332 42	700 86
August 1, 1843.....	914,737 03	887,074 56	100 00	25,421 98	2,140 49	681 86
Feb. 1, 1844.....	918,217 71	888,563 28	1,071 78	26,822 60	2,260 10	2,094 29
August 1, 1844.....	922,818 54	893,302 18	100 54	27,207 96	2,307 86	716 77
Guarantees.....	20,000 00	19,837 50	.....	125 00	47 50	.....
Total.....	\$4,502,824 01	4,353,535 70	6,968 69	129,243 10	13,086 52	4,448 38

The last column of the above table represents the interest due at date but unclaimed, and for which no certificates were issued. The outstanding certificates are described as follows:

Issued under Act of July 27, 1842, and due Aug. 1, 1842, at 6 p. c.....	\$4,195 65
" " March 7, 1843, and due Aug. 1, 1846.....	4,322 91
" " May 31, 1844, and due Aug. 1, 1846, at 5 p. c.....	4,667 96
Total amount of certificates outstanding.....	\$13,086 52

The Scrip Certificates were issued to "Domestic creditors" to the amount of \$1,514,332 17; of this, \$1,514,212 50 has been redeemed, leaving outstanding, as above, the sum of \$119 67, due in small sums to four creditors.

The "Military Loan," issued under Act of May 15, 1861 was for \$3,000,000. This is a 6 per cent. loan, and is redeemable August 1, 1871. The amount outstanding is \$2,820,750. A special Sinking Fund of half a mill on the dollar of the taxable valuation is provided for its redemption. The annual interest payable on the funded debt of the common wealth, ordinary and military, is as follows:

Ordinary Loans at 6 per cent.....	\$400,630 00	Interest,	\$24,087 80
" " 5 "	32,073,198 59	"	1,603,659 63
" " 4½ "	215,200 00	"	9,594 00
Military Loan at 6 "	2,820,750 00	"	169,245 00
Total Funded Debt and Interest..	\$25,507,772 59		\$1,782,586 43

—the average interest on the whole debt being at the rate of 5.02 per cent.

Against this debt the commonwealth holds in stocks in sundry incorporated companies as follows:

In Canal and Navigation Companies.....	\$414,954 63
In the Franklin Railroad Company.....	100,000 00
In Turnpike Companies.....	1,230,387 09
In Bridge Companies	9,000 00
	<hr/>
Bonds of Pennsylvania Railroad Co.....	\$1,754,331 63
“ Philadelphia and Erie Railroad Co.....	6,600,000 00
	<hr/>
Total stocks and bonds.....	\$11,854,331 63

The two last items are bonds given for the purchase of the State works. The total cost of the canals and railroads constructed by the Commonwealth was \$35,099,083 91. Of this amount about \$18,615,663 30 belonged to the cost of the main public line of the improvements from Philadelphia to Pittsburg, which line was sold to the Pennsylvania Railroad Company, under the act of May 16, 1857, for the sum of \$7,500,000, for which amount bonds of the said company have been deposited in the State Treasury. These pay 5 per cent., and are redeemable in annual installments, nine of \$100,000 having been already taken up, leaving \$6,600,000 on deposit.

The original cost of the works sold to the Sunbury and Erie Railroad Company was about \$10,985,569 61; which works were disposed of, under act of April 21, 1858, for the sum of \$3,500,000, 5 per cent. bonds, which amount have been deposited in the sinking fund. The Sunbury and Erie Railroad Company, since coming into possession of said works, disposed of the several works at an excess over the amount paid of \$281,250, which amount, as required by the transfer law, has been paid by the Wyoming Canal Company into the State Treasury.

These several amounts constitute the capital of the sinking fund for the redemption of the funded debt of the Commonwealth, and all payments, principal and interest, on account of the same, from a part of the annual income thereof. Besides these the sinking fund receives certain taxes, licenses, etc., which amount to a considerable annual revenue.

The State Treasurer furnishes the following calculations showing the amount of the debt that can be redeemed each year with the sinking fund receipts:

1867.....	\$991,875 79	1873.....	\$1,610,347 95	1879.....	\$2,195,974 07
1868.....	1,042,469 58	1874.....	1,706,968 83	1880.....	2,327,733 52
1869.....	1,094,593 06	1875.....	1,809,380 96	1881.....	2,467,396 47
1870.....	1,149,322 71	1876.....	1,899,750 01	1882.....	2,625,440 26
1871.....	1,306,788 85	1877.....	1,994,942 51	1883.....	2,772,996 67
1872.....	1,519,196 18	1878.....	2,094,690 63	1884.....	2,939,344 67
				<hr/>	
Total 1867 to 1884				\$33,449,211 73	

Leaving a balance to be paid during the year 1885 of \$12,168,272 39, with assets in the sinking fund as follows, viz.:

Philadelphia and Erie Railroad debt.....	\$3,500,000 00
Interests at 5 per cent from 1859 to 1885, 26 years.....	\$4,550,000 00
Less interest on collateral bonds (\$4,000,000) \$240,000 per annum from 1873 to 1885	3,120,000 00— 1,430,000 00
Total on account of Philadelphia and Erie Railroad	\$4,930,000 00
Amount remaining unpaid by Penn. Railroad Co., Jan. 31, 1885.....	2,727,435 83
<hr/>	
Amount of assets in sinking fund after the liquidation of our entire indebtedness	\$7,657,435 83

“Under these circumstances,” the State Treasurer adds, “there should be no delay in redeeming every dollar of our over-due indebtedness. It

committees or other persons, holding in a fiduciary capacity bonds or certificates of indebtedness of the State or moneys, are hereby authorized to bid for the loan hereby authorized to be issued and to surrender the bonds or certificates of loan held by them at the time of making such bid, and to receive the bonds authorized to be issued by this act.

Sec. 5. Any person or persons standing in the fiduciary capacity stated in the fourth section of this act, who may desire to invest money in their hands for the benefit of the trust, may, without any order of court, invest the same in the bonds authorized to be issued by this act, at a rate of premium not exceeding twenty per centum.

Sec. 6. That from and after the passage of this act, all the bonds of this Commonwealth shall be paid off in the order of their maturity.

Sec. 7. That all loans of this Commonwealth, not yet due, shall be exempt from State, municipal or local taxation, after the interest, due February first, one thousand eight hundred and sixty-seven, shall have been paid.

Sec. 8. That all existing laws, or portions thereof, inconsistent herewith, are hereby repealed.

It will be seen that this law relieves from State, municipal and local taxation all bonds issued under it. The general State tax is about 35 cents on each \$100 valuation, and the municipal and local taxes of late years have been even more burdensome than the taxes levied for State purposes.

THE SUEZ CANAL—ITS ACTUAL CONDITION.

The last trustworthy account which we possess of the 'maritime canal across the Isthmus of the Suez is contained in a paper by Lieutenant-Colonel Merewether, who visited the works in progress on his return to Aden about four months ago. The report is not written very lucidly, but it suffices to convey to those already acquainted with the different localities a tolerably clear idea of the actual condition and prospects of the undertaking. The fresh-water canal, which is, so to speak, a lateral extension from Zagazig of the Bahr Mo'ez drawn from the Damietta branch of the Nile a little below Benha-ool-'Asel, has been completed to Suez—an incalculable advantage to that town and harbor. From Zagazig it takes an easterly course towards the desert for a distance of fifty miles, passing by Ismailieh, the central station on the line, one mile before its junction with the maritime canal. Two miles before reaching that station it takes a southerly bend to Suez. It was at the above named junction that the vessel of eighty tons, which was so exultingly reported as having passed through the canal from the Mediterranean to the Red Sea, was admitted by a lock from the maritime into the fresh-water canal. The average surface breadth of the latter is thirty-six, and its depth from five to six feet. Passenger boats leave Zagzig regularly one hour after the trains arrive. They are towed by a couple of mules at the rate of four miles an hour, so that it takes twelve hours to reach Ismailieh from Zagazig. This may be, as Colonel Merewether styles it, "an easy means of transit," but its "cheapness" may fairly be questioned, and its expedition scarcely likely to compete even with the slow speed of Egyptian railways.

After so many flourishes of trumpets the *Pall Mall Gazette* says, the public were certainly justified in expecting a much greater progress in the grand maritime canal than is shown in the report of Colonel Merewether,

if anything, rather a partial witness. In order fairly to estimate what has been and what still remains to be done, we must first give an outline of the original scheme. The canal, as all know, is to extend from Port Said on the Mediterranean to Suez at the head of the Red Sea, a course of about ninety-six miles. Its dimensions, as generally proposed are:—Surface width, 260 feet; depth, 26 feet; but, according to Colonel Merewether, the width must have been reduced to 195 feet. As regards length it appears that the canal has been partially made from Port Said to Ismailieh, a distance of forty-eight miles, or just one half the distance across the Isthmus. Below Ismailieh, onward toward Suez, "the canal may only be said to be now fairly commenced." With respect to the engineering operations on that part of the line, the prospect is not encouraging, for "the first ten miles to Serapeum is like the portion through El-Gisir, very heavy, first through the edge of the Lake Timsah, then through high drift sand-hills. These last are a great difficulty. Below Serapeum the line of canal passes through the Bitter Lakes. Between that and Suez, except at Chalon, ten miles from the latter place, there is little heavy work. At Chalon, rock has been met in the bed which has to be removed by blasting."

Turning to the northern portion, we find that for the first nine miles from Ismailieh, running through the high ground of El-Gisir, the canal is excavated to "about half its future complete width." Beyond that, and the whole way to Port Said, "there are two channels, each about thirty-five feet, or one third of the complete width, the centre portion being left for the present. This is to allow of one channel being deepened by dredging, while the other is used for traffic. Openings are left at intervals through the centre part in order that the dredges may change channels as required. * * * The average depth throughout is at present only seven feet."

The works at Port Said, though progressing, are still in a very backward state. "Eight dredges are at work inside the harbor. What earth is not required for excavation (!) or block-making, is carried by steam lighters out to sea in a north-easterly direction, whence there is no fear of its being returned. There are two side basins on the west, within the port, for shipping. Much has been dredged out, but still nothing compared to what has to be done. Small steamers run inside now, but large vessels have to lie off in the open road. The depth in the port has to be made over thirty feet."

Taking the foregoing as a correct statement of what has hitherto been done, it is clear that at least two-thirds of the original scheme remain to be accomplished, and that after a lapse of seven years, and an outlay to be reckoned by millions. Colonel Merewether may be correct in his opinion "that there are no physical difficulties to prevent the completion of the canal provided money is forthcoming;" but his anticipation that "even then it can scarcely be ready before five more years have passed" appears to exhibit some credulity. He adds, "Whether the returns will prove remunerative to the shareholders time only can prove." In all these points, however, the projectors seem to entertain the same unswerving confidence.

Ismailieh is described as a perfect oasis in the surrounding barren wilderness, and its municipal divisions as quite cosmopolitan. "There is the French quarter, the Greek quarter, Arab quarter, and miscellaneous;" and for conflicting creeds, "a Roman Catholic Church, Greek Church, and

Mussulman Mosque." Anglicanism and Protestantism are still unrepresented there. A small steamboat leaves Ismailieh for Port Said every day at 6 A.M., a similar boat starting at the same time from Port Said. The distance from point of embarkation is forty-eight miles, done in eleven hours, including one hour for breakfast at Kantara. The boat is about fifty feet long by 9 feet broad, propelled by one screw astern, driven by a high-pressure engine set in the middle. In the forepart are two compartments for first-class passengers, each holding eight in tolerable comfort. Astern are two similar places for second-class passengers.

COMMERCIAL LAW.—N^O. 32.

FIRE INSURANCE.

(Continued from page 269, vol. 54.)

THE CONSTRUCTION OF POLICIES AGAINST FIRE.

The rules of construction are generally the same in reference to fire policies as to marine policies. It is sufficient if the words of the policy describe the persons, the location, and the property, with so much distinctness that the court and jury have no difficulty in determining their identity with a certainty which prevents any real and substantial doubt.

In the construction of this as of other contracts, the intention of the parties is a very important and influential guide; but it must be the intention *as expressed*; for otherwise, a contract which was not made would be substituted for that which was made; and evidence from without the contract would be permitted to vary and to contradict it. Thus, where stock in trade, household furniture, linen, wearing-apparel, and plate were insured in a policy, the court held that the term "linen" must be confined to "household linen," and would not include linen drapery goods purchased on speculation. In a case where the policy required that the houses, buildings, or other places where goods are deposited and kept, shall be truly and accurately described, and the place was described as the dwelling-house of the insured, whereas he occupied only one room in it, as a lodger, this description was held sufficient.

It was held in another case, that the insurance by an inn-keeper against fire of his "interest in the inn and offices," does not cover the loss of profits during the repair of the damaged premises. And in another, the words "stock in trade," when used in a policy of insurance in reference to the business of a mechanic, as a baker, were held to include not only the materials used by him, but the tools, fixtures, and implements necessary for the carrying on of his business; and the words in question were held to have a broader application to the business of mechanics than to that of merchants.

Where the plaintiff took out a policy of insurance against fire, "on his goods, stock in trade, &c.," the policy was held to cover goods in stores, bought on joint account, and sold for the mutual profit of the insured and

another person, the former being also in advance on the adventure. An application by a tenant of a building during one year, for an insurance on "his building," is a good description. A policy on an unfinished house covers materials got out for and deposited in it, but not materials got out for it and deposited in another building.

A policy upon wearing-apparel, household furniture, and the stock of a grocery, covers linen sheets and shirts actually laid in for family use, if exhibited at the preliminary inspection; and such as were laid in for sale or traffic in the usual way, in the store; but not such as, being smuggled, were concealed and intended for secret sale.

If it appears by clear and positive evidence that the written contract does not express the actual and certain agreement of the parties, by reason of an accidental mistake or omission of phraseology, a court will correct this mistake, and treat the policy as reformed accordingly. We are not aware, however, of any material difference in this respect between fire policies and marine policies, and the law on this subject in relation to the latter has already been stated. And the same remark may be extended to the rule respecting the admission, as a part of the contract, of a memorandum on the back of the policy, or attached to it by a wafer, and neither referred to in the policy itself, nor signed by the insurer.

There is, however, one very important difference between contracts of fire insurance, and those of marine insurance, as usually made. It is a general rule with our mutual insurance companies, and not unfrequently with stock companies, to require that an application shall be made in writing; and this written application is after a peculiar form, prescribed by the rules. It always contains certain definite statements, which relate to those matters which affect the risk of fire importantly. In each form of application sundry questions are put, which are quite numerous and specific, and are those which experience has suggested as best calculated to elicit all the information needed by the insurers, for the purpose of estimating accurately the value of the risk they undertake. Specific answers must be given to all these questions. And this application, with all these statements, questions, and answers, is expressly referred to in the policy, and made a part of the contract; and a distinct reference to such a paper might of itself incorporate it with the contract, without any words declaring it to be a part thereof, if this reference imported that the contract was based upon the paper. If such a paper be referred to, the court will inquire into the purpose of the reference; and it has been said, that any conditions so referred to would be taken to be a part of the policy; but that the application itself was merely for the purpose of describing and identifying the property.

It is common to state in the printed part of the formal application, that it is made on such and such conditions; and these usually follow those statements which are deemed the most material in estimating the risk. These would be considered as express conditions, and, therefore, the substantial truth of all of them is a *condition precedent* to any right of indemnity in the insured party. By the legal phrase *condition precedent*, is meant a condition which must be fully complied with before the contract can take effect. Hence, if any of these statements were false, the policy would be void.

Sometimes there is no distinct application in writing, but the policy it-

self states the facts relied upon. For this purpose it contains many blanks, which are filled up according to the circumstances of each case. It may happen that what is written in these places may be inconsistent with what is printed; and then it is a general rule that what is written prevails, as that is more immediately and specifically the act of the parties, and may be supposed to express their precise purpose better than the printed phrases which were prepared without special reference to any particular case. But this rule would not be applied where it would obviously operate injustice.

It is also unusual in fire insurance to put upon the policy itself a scale of premiums, as calculated upon different classes of buildings, of stocks in trade, or other property, in conformity with what is thought to be the greater or less risk of fire in each case. This is a matter of special importance; and if a statement were made by an applicant which put his building or property into a class of which the risk and premium were less than for the class to which the building or property actually belonged, and in that way an insurance was effected at such less premium, the policy would undoubtedly be void, even if the false statement were made innocently.

When certain trades or occupations, or certain uses of buildings, or kinds and classes of property, are enumerated as "hazardous," or otherwise specified as peculiarly exposed to risk, the rule, *The expression of one thing excludes what is not expressed*, is applied, and sometimes with severity. This is better illustrated by marine insurance. Thus, in a case in New York, precisely in point, dried fish were enumerated in the memorandum clause as free from average, and "all other articles perishable in their own nature." It was held that the naming of one description of fish implied that other fish were not intended; and that the subsequent words, "all other articles perishable in their own nature," were not applicable, and did not repel this implication. The same rule would be applied, for the same reason, and in the same way, to cases of fire insurance.

If the printed conditions represent one class of buildings, or goods, or property, as more hazardous than another, it would not be competent for the insured, whose property was of that kind, to prove by other testimony that it was not more hazardous in fact. Moreover, a description of the property insured, as it is a description for a contract on time, is held to amount to an agreement that the property shall continue within the class where it is put, or at least shall not enter into another that is declared to be more hazardous during the operation of the policy. There must, however, be a rational, and perhaps a liberal construction of this rule. Thus, it does not apply where a single article, or one or two are kept in a store as part of the stock of goods, although that article, as cotton in bales, is among those enumerated as hazardous. So if the "storing of spirituous liquors" is prohibited, the keeping of wine or brandy in a private house for consumption, or even for sale by retail to boarders, would not discharge the insurers.

In New York it was held that where oils and turpentine, which were classed among hazardous as extra-hazardous articles, were introduced for the purpose of repairing and painting the dwelling insured, and the dwelling was burned while being so repaired, the insurers were

liable. But if the building is generally appropriated to a more hazardous occupation than the proposals or the policy indicate, or if the jury find that the introduction of these goods materially increased the actual risk, evidence would be received as to the intention of the parties to the contract. And the true meaning of the contract and the intent of the parties would be considered. Thus, where the "storing" of certain goods was prohibited, as "hazardous," it was held that the having a pipe or two of such articles in the cellar, from which smaller vessels in the store were replenished, did not come within the meaning of the word "storing" in the policy, any more than would the keeping of such articles for home consumption in a dwelling-house insured by a similar policy. So a description of a house as "at present occupied as a dwelling-house, but to be hereafter occupied as a tavern, and privileged as such," is only permission that it should be a tavern, and creates no obligation to occupy and keep it as a tavern on the part of the insured. But if the language is, "to be occupied as so or so, but *not*" in some other certain way, this restriction is a part of the bargain; and if the building is so occupied, the insurers are discharged.

So if the premises are described as "a private residence," the insurance is not avoided by the fact that the occupants moved out of the house leaving it vacant, and not the "residence" of any one, unless the jury find that the risk was thereby materially increased. But where the property was represented as a "tavern barn," and the insured permitted its occupation as a livery stable, an expert (so the law calls a witness having experience and skill on a particular subject) was permitted to testify that a livery stable was materially more hazardous than a tavern barn. And on this ground, the policy was held to be discharged, although the keeper of the livery stable was removable at the pleasure of the insured. Where a building insured by a company was represented, at the time of effecting the insurance, as connected with another building on one side only, and before the loss happened it became connected on two sides, the policy was held not to be avoided unless the risk thereby became greater.

The general subject of alterations of property under insurance against fire is not without difficulty. On the whole, however, we are satisfied that mere alterations, although expensive and important, do not necessarily and of themselves avoid the insurance or discharge the insurers; but that they have this effect, if they are found by the jury to increase the risk materially; or if they are specifically prohibited in the policy; for this amounts, in the second case, to an agreement by the parties that they shall be considered as increasing the risk, and in the first, in a promise by the insured that they shall not be made.

Still other questions may arise where material alterations are made, all of which are not easily disposed of. The following are instances: Suppose one gets his dwelling-house insured for seven years, truly describing it as having a shingled roof. After two or three years he determines to take off the shingles, but says nothing to the insurers about it. If he now puts on slates, or a metallic covering which does not require soldering, he does not increase the risk; nor is the work of putting on the new covering hazardous, and we see no grounds for its having any effect on the policy. But suppose the new metallic covering is secured by soldering.

This is certainly a hazardous operation. And if the building takes fire in consequence of this operation, the insurers are certainly discharged.

If the operation is conducted safely through, and the work is entirely finished, we consider it clear that this greater hazard for a time has no effect whatever on the policy after that time, and after all the greater hazard has expired. But let us suppose that while this operation is going forward, and the house is thereby certainly exposed to an increase of risk, the house is set on fire by an incendiary,—without the slightest reference to this alteration,—and burns down. It is not, perhaps, settled, either by authority or practice, whether the insurers are or are not discharged. We are, however, of opinion that the principles of insurance would lead to the conclusion, that, if the house be burned from a perfectly independent cause, during an increase of risk incurred for good cause and in good faith, the insurers are not thereby discharged. It is, however, certain, that it is always prudent to obtain the consent of the insurers to any proposed alteration. If such consent be asked and refused, we do not see that the insurers stand on any better footing, or the insured on any worse one; and if the alterations are made and a loss occurs, we should say that the insurers would not, generally at least, be discharged because of their refusal, unless they would have been discharged if the alteration had been made without their knowledge. For if they have a right to object or refuse, it could only be because the contract in effect prohibited this alteration; and then their refusal was not wanted for their defence. And if they have no right to refuse, they can acquire no rights by the refusal.

If the alteration be of a permanent character, and causes a material increase of the danger of fire, then it is a substantial breach of contract; and we should hold that the insurers were discharged as soon as the alteration was made, and indeed as soon as the making of it, or preparations for it, as scaffolding or carpenter's work, materially increased the risk. And they are discharged equally, whether the fire be caused by the alteration, or by the work done, or by some whole independent matter. But where an application for insurance upon a dwelling house described a store owned by the applicant, situated near the house, and the policy contained no prohibition against the rebuilding of the store, and when it was burned the owner rebuilt the same, and in doing so a fire occurred in the store which communicated to and destroyed the house, but there was no negligence on the part of the insured, the insurers were held, because the insured had the right of rebuilding the store, using proper precautions.

We apprehend, further, that the insured retains his right to keep his buildings in good repair; and, indeed, it is rather his duty, or at least for the interest of the insurers, that he should do so. For any condition of disrepair would tend, more or less strongly, to increase the risk of fire, if only by causing a general neglect, or lowering the class of opponents. The insured, therefore, may repair without especial leave, and the insurers are liable, although the fire take place while the repairs are going on; and even if it be caused by the repairs.

So the insurers would be if this cause of the fire might seem to come within the express prohibition of the policy, if the cause were introduced merely for necessary repair, and the prohibition should be construed as intended to prevent a general employment of the buildings in a hazardous way. Thus, a condition avoiding the policy "if the buildings at any

time after the insurance be made use of to store or warehouse any hazardous goods," did not discharge the insurers of a barn which was set on fire by the boiling over and burning of a tar barrel brought within it for the purpose of repair. It may be added, that our fire policies now in use frequently give the insured the right of keeping the property in repair. In England, fire policies are often made with a right of renewal and many questions have risen there under this right. We are not aware of any such cases or any such practice in this country.

[To be continued.]

BREADSTUFFS.

The breadstuffs market just now presents a problem of unusual interest. The price of flour has for some time ranged unprecedentedly high, and is still advancing; and as the relief to the prevailing general expansion of prices must be retarded while we have dear bread, it becomes a matter of peculiar interest to ascertain what is likely to be the future course of this market.

It is not without reason that flour and grain rule at such extraordinary prices. Waiving the disputed question as to the comparative yield of the last crop, there will be no doubt in any quarter that the short supply of wheat and corn in the South has caused an immense demand from that section, sulting in a heavy draft upon the supplies at all points. In the absence of returns at some of the grain centres, we are unable to give a complete statement of the stock in the several markets; but from such statistics as are obtainable, it is evident that they are sufficiently low to account, to a large extent, for the prevailing high prices. The following comparison shows the stocks of flour, wheat and corn at the latest dates, at New York, Chicago, Milwaukee, and in Minnesota.

	Flour, bbls.		Wheat, bush.		Corn, bush.	
	1867.	1866.	1867.	1866.	1867.	1866.
New York, May 1	250,000	230,000	1,120,050	600,000	850,000	500,000
Chicago, April 30	58,100	81,900	203,200	866,500	1,024,200	1,022,106
Milwaukee April 30	25,000	15,000	200,000	600,000	.....	.....
Minnesota, " 15 .....	.....	.....	680,585	2,644,900	.....	.....

These figures, we are aware, are very imperfect, but it may be stated in general terms that the stocks at the Western centres are only about one-fourth of the quantity on hand last year; at New York, however, they are, as will be seen, considerably larger. The consequence of this singular inequality is that, at the present time, the prices of flour and grain rule at the same figures at the East as at the West, and shipments are being made to some points in this State from this port. The supplies in the interior of the West are comparatively exhausted, the receipts having dwindled down to a merely nominal amount, and the prospect is clear that, until the new crop is gathered, the country must be fed to more than the usual extent from the stocks at the seaboard.

At the same time, the South is so bare of food, that in some sections it is a serious question, whether the planters will be able to feed their

hands until the harvest; and measures are in contemplation for procuring supplies upon a mortgage on the cotton crops. A certain amount may be expected from the large surplus of California, the current shipments thence to New York being reported to be very large; but the supplies from that source will be readily absorbed. There are yet about two months before any appreciable relief can be had from the new crops; and with such a meagre supply during the interim, it is not very apparent how there can be any important abatement from the current high prices.

The time, however, must soon be past when the supply in store will be the controlling consideration in the value of breadstuffs. The prospect of the next crop will early make itself felt. The extraordinary prices prevailing during late months have produced the natural result of an extension of the wheat and corn planting, and thus far nature has favored the efforts of the husbandman to produce a plentiful supply of food. There is no prospect that the South will this year seek its supplies in the West. The general scarcity of breadstuffs in that section, and the consequent high prices, have induced the planters to lay out an enlarged area in wheat and corn. The cotton factors also, for their own protection, have, in some sections, made it a condition of their advances for cotton growing, that the planters should raise sufficient cereals and pork for their plantation consumption; while there is reason for supposing that the unsatisfactory result of the last cotton crop, and the present low price of that staple, will induce the smaller planters to substitute grain for cotton to a large extent. With the single exception of Arkansas, reports from every Southern State represent that an unusually large acreage has been placed under grain, and the crops are everywhere reported as looking very healthy and promising. It is not impossible, therefore, in the event of the continuance of high prices, that a portion of the Southern wheat crop may be hurried into our markets before the Western crops are gathered; and this contingency is the more probable from the fact that the supply of that section is likely to exceed its actual wants. In fact it is anticipated that Georgia wheat may be shipped to this market in considerable quantities by the latter part of June.

From all other parts of the country the reports are highly encouraging. The winter crops are large and unusually healthy. The western floods and the protracted cold weather, although they have delayed spring operations, appear to have produced no effects calculated to limit the general yield. The seed has been put in in good condition, and it is only in the exceptional cases of low wet lands that there is other than a flattering prospect. Reports from Wisconsin agree in estimating the area sown at one third larger than last year. As to the crop in Illinois, a correspondent of the *St. Louis Republican*, writing from Springfield, says:—"Wheat is growing magnificently. All over central and southern Illinois (in some sections, it is true, in spots) a glorious yield is anticipated. The promise is more than commonly good, and the breadth of land sown nearly double any before." From Ohio, reports generally accord with the following statement by a Cincinnati paper:—"The wheat crop promises splendidly. The winter to be sure has been cold, but the fall sowings have been protected by the heavy

snows, and have weathered the winter well. We expect this year to see the heaviest wheat crop ever raised in this country." Indiana appears to have suffered more than any other State from the severity of the weather; but upon the whole the prospect there appears to favor a full average yield. The *Fort Wayne Gazette* says:—"It is very generally remarked by travellers that the wheat crop looks splendidly all over the west—never more promising of an abundant yield. Especially is this the case in northern Indiana, where an unusually large breadth has been devoted to this staple cereal." From Iowa the reports are meagre, but there is nothing to indicate that that State is likely to prove an exception to the rule. From Michigan we have no reports representing other than the prospect of an unusually large crop. In New York and Pennsylvania the wheat is represented as looking uncommonly healthy in appearance, and giving promise of a more than average yield. Reports from California indicate that there also the wheat crop is likely to prove unusually large, a fact of no small importance, since that State has become an important exporter of bread-stuffs.

From this remarkable uniformity of testimony as to the favorable prospects of the growing crops, it would seem that, providing we escape the contingencies of drouth in the summer and of wet weather in harvest, the country will be enriched by an unusually abundant yield. So long as these adverse possibilities hang over the crops, the present favorable prospects cannot have their full effect upon the prevailing high prices. It would, however, be unreasonable to anticipate anything below an average yield; while it is not improbable that the result may far exceed that.

The generally healthy aspect of the winter wheat in the United States doubtless arises from causes connected with the extraordinary winter; and as the winter in Great Britain and on the Continent has resembled our own, it perhaps may not be unreasonable to expect that there also the crops will be similarly abundant, and this probably is confirmed by the tenor of reports so far as received. The conclusion, therefore, from the facts stated above, evidently is that although we may not look for any immediate relief from the present high prices, yet with a propitious season, our supplies this fall must be unusually large, and within two months at the most a favorable change in the market may be anticipated.

THE NEW YORK STATE TAX LEVY.

A few weeks before the final adjournment of the Legislature of New York, the Comptroller of the State addressed to the Chairman of the Committee on Ways and Means of the Assembly a letter depicting the alarming amount of taxation which seemed to be impending for the present year. It would approximate, if not exceed, one per cent, if all the contemplated measures became laws; a higher rate than had ever before been levied during the existence of the State. Now that the Legislature

has adjourned it may not be uninteresting to see what is the result of its labors, and what will be the probable State taxation this year.

We have, first, the requirements of the bounty State debt which demands a tax of three mills on the dollar of valuation. This increase from the rate of last year is due to the fact, that the law authorizing the indebtedness provides for an annual tax sufficient to pay the yearly interest, and to redeem the entire principal in twelve years. The amount levied last year was found to be insufficient for that purpose, and hence the Comptroller resorts to the present rate. Next, we have the Free School Bill, which calls for a mill and a quarter. Till the present season the annual tax for the support of schools was but three-fourths of a mill on the dollar; but the law of 1867, making common schools free from and after next September, adds one-half of a mill to the annual levy for that object. Then there is the canal floating debt, which, as will be remembered, was legalised in 1859, and adds its usual eighth of a mill to the tax levy. The law granting State aid to the Albany and Susquehanna Railroad imposed a tax of three-sixteenths of a mill; and the appropriation to the Whitehall and Plattsburgh Railroad required one-thirteenth.

Besides there were a series of other projects pending, while still others were passed which involved a further addition to the public burden. The Assembly bill, making appropriations for canal claims—an unfathomable abyss for public money, required seven-eighths of a mill. The friends of the Chenango canal drove a bill through the Assembly which, however, was lost in the Senate, levying three-sixteenths of a mill for the extension of that canal from Binghampton to Athens in Pennsylvania. For thirty odd years that thoroughfare has not paid cost of superintendence and repairs, and could not to-day be given away; yet the supporters of the extension predict with great assurance that it will become remunerative by reason of the great business to be done in the transportation of coal. A bill in the Senate for the enlargement of the locks of the Erie Canal proposed a tax of seven-eighths of a mill; and another to enlarge those of the Champlain Canal, proposed two-fifths of a mill. These two projects were afterward united, made dependent on the action of the Constitutional Convention, and then failed of passage. Another bill for the improvement of the Oneida Lake Canal, levying a tax of one-fifth of a mill, did not get through.

But the unwise bill of Senator O'Donnell, after sundry amendments, succeeded in passing both Houses of Legislature, and now lies on the Governor's table. It authorises the grant of \$5,000 per mile of new railroads, and levies a tax of one-third of a mill per dollar, in the years 1868 and 1890 (probably 1869) to meet the outlay. It is, however, the judgment of the Governor that all proposed grants to corporations may very appropriately be left to the action of the Convention, which will assemble at Albany in June; and it is not likely, therefore, that the bill will receive his signature.

The other demands upon the Treasury were extraordinarily numerous. The expenses of the Constitutional Convention were provided for by an appropriation of \$250,000. The appropriation for the Soldiers' Home at the Ira Harris Hospital amounted to \$100,000. The sum of \$150,000 was asked and granted for the continuation of the improvement of the

Hudson River through the Overslaugh. For the State Institution for the Blind at Batavia the sum of \$75,000 was granted; a similar amount for the Willard Asylum for the Chronic Insane at Ovid, and also for the Hudson River State Hospital for the Insane at Poughkeepsie. An appropriation of \$250,000 was made for the erection of the proposed new Capitol. The Annual Supply bill gave \$50,000 for Quarantine expenditures, and \$75,000 more for the proposed new structures.

Very many of these appropriations were, of course, necessary and proper, while others might better have been kept for a more convenient season. But, besides, there were alarming deficiencies in the appropriations which had previously been made for public and other institutions, in whole or in part a charge on the Treasury of the State. The three State Prisons required \$190,000 for deficiencies, \$55,000 for repairs, and \$50,000 for the enlargement of the prison at Auburn, there not being accommodations for ten more convicts in the State. The Houses of Refuge in New York and Rochester were in arrears. The Institution for the Instruction of the Deaf and Dumb demanded \$44,000. The other charitable establishments showed no better record.

But our people may congratulate themselves that the tax is no larger than it proves to be; for half the demands were not met. The Buffalo and Washington Railroad Company and the Buffalo and Oil Creek Cross-cut Railroad Company each asked for a subsidy. The Rondout and Utica Railroad Company petitioned for an amount sufficient to enable the tunnelling of Pine Hill, only asking for a half-million for this purpose. Another appropriation was sought to enable the deepening of the channel of the Upper Hudson for slackwater navigation from Troy to Fort Edward. The inhabitants of Troy asked for \$100,000; one-half the amount to endow the Polytechnic Institute, and the remainder for the hospital and the Roman Catholic Male Orphan Asylum. The Trustees of Elmira Female College demanded \$50,000 for that institution. The Board of Managers of the Woman's Hospital, in the City of New York, besought for \$50,000 more. Charities, public works, and individuals partaking of the spirit of the times, all appeared to have formed a league to assail the Treasury at the same instant, as though hoping, in the general *melee* of plunderers, each would be able to seize something for himself.

The aggregate of the levy made by the legislature, however, was far less than anticipated, and, so far as ascertained, has only run up as follows:

For current expenses of Government.....	2½ mills.
For Bounty loan.....	3 "
For support of Free Schools.....	1½ "
For canal debt of 1859.....	½ "
For grant to Albany and Susquehanna Railroad.....	3-16 "
For grant to Plattsburgh and Whitehall Railroad.....	1-16 "

In the above we have, as will be seen, total of $7\frac{39}{16}$ mills on the dollar of valuation. We are not without apprehension, however, that the aggregate will actually be larger. There are yet several bills unsigned which contemplate an increase, but we trust wiser councils prevail in the Executive Chamber than have held control in the halls of legislation during the past winter. For although this is somewhat less than

the figures estimated by the Comptroller—one per cent. and over, it is still large enough to justify serious apprehensions; and yet we do not know that this spirit of extravagance will be checked until the people have suffered a little more severely on account of it. The levy of three mills on the dollar in 1857, now approximates three times that amount, whereas the aggregate assessed valuation has not materially increased. As the matter now stands about \$13,000,000 will be absorbed by taxation for State purposes, besides some \$37,000,000 in the several counties for local expenses. Added to this is the sum of \$60,000,000 more for our contributions to the Federal Treasury. How long a community even as thrifty and adventurous as the four million inhabitants of New York will sustain an annual drain of one hundred and ten millions, a considerable portion of which is unnecessary, is a grave question. In Europe it would absorb the larger part of the profits of capital and labor, paralyze industry, and dry up the sources of wealth. The event would be a revolution. But in this country the people constitute the government, and so bear the burdens more patiently with which their chosen representatives afflict them.

Nevertheless, the soundest considerations of political wisdom certainly demand the most careful attention of all to our financial legislation. The aggregate of the State debt exceeds fifty millions, and the counties are owing seventy-five millions more, which must be paid in a few years. The debt of the city of New York alone is about forty millions, and it is regularly increasing. This renders it imperative that the sources of unnecessary expenditure should be dried up, and that grants of public money should not be permitted except by the express approval of the people.

COMMERCIAL CHRONICLE AND REVIEW.

Payment of the Public Debt—Short-date Obligations—Business this Month—Rates of Interest—Course of Gold, Exchange, &c.—Five-twenties, &c., at London—Price of United States Bonds for April, &c.

Mr. Gladstone in his recent eulogium of our financial position, in the British Parliament, gave expression to some suggestive views on economy, retrenchment and fiscal policy which well deserve to be pondered at present. We doubt, however, whether public sentiment here will fully coincide in the opinion of the Ex-Chancellor of the Exchequer, when he says we ought to go on rapidly with the reduction of our public debt. It is true that, during 18 months, we have by immense effort contrived to pay off more than 200 millions of the principal of our National obligations besides the heavy disbursements for interest; but it is also true that the existing depression of the productive energies of the country and the paralysis which is everywhere complained of in financial and commercial circles, is due in no small degree to those efforts. We have paid off a large amount of our war debt by taxes; but we have raised this sum at a prodigious cost, because our fiscal system is so imperfect, our tax machinery is so clumsily contrived, its pressure is so unequally distributed, its working is so wasteful, i

destroys so much more of the national wealth than it brings into the Treasury, it crushes and maims so many of the productive forces which keep up our tax-paying ability and secure our growth in material wealth. We must first correct the evils of our fiscal machinery and prevent its impoverishing our people and crippling their business enterprises before we can with safety use that machinery to gather up any large annual surplus towards paying off the national debt. Such are the opinions which one hears expressed on all sides by thoughtful, well-informed men; and it must be confessed that there is much to be said in favor of these opinions, which are obviously gaining ground among our citizens, and cannot fail to have their effect on the policy of the Treasury, and on the votes of the next Congress.

Although, however, we cannot hope at present to pay off much of the principal of the public debt we are doing something towards lessening the embarrassments and apprehensions which have arisen from that large part of it which matures at short dates, and is represented by various descriptions of floating obligations. The compound notes which mature this year are so provided for under the recent Act of Congress, that as Mr. McCulloch believes they can be met and paid off without the slightest perturbation in the money market. The only other trouble is from the Seven-thirties, of which the first series mature in August next. These are now reduced below 100 millions, and the whole aggregate in two or three months will, at the present rate of conversion, be all out of the way. As the Seven-thirties are not convertible into Five-twenties at maturity, and as these notes are now worth a handsome premium over the price which they will fetch in the market when deprived of the privilege of conversion, there is little doubt that the process of funding will go on with increasing rapidity. And we should not omit to mention that from the methods of conversion adopted by the Treasury, and from the skill and judgment with which these methods are applied, the operations though so large in amount, produce less trouble in the money market than any negotiations of similar magnitude which have ever been conducted through the Sub-Treasury. From this and other circumstances it is argued that we need apprehend no stringency in our money market from the Treasury negotiations of the next three or four months, and that any changes which may occur will tend rather in the direction of greater ease. However this may be, it is certain that so far as the floating government debt is concerned, the causes for apprehension have nearly all disappeared, now that nearly all the short obligations which mature during the current year are provided for. Although, therefore, we may doubt whether any large amounts of floating obligations will be paid off from the proceeds of taxation, we have the satisfaction of knowing that through the judicious and far-sighted policy adopted by the Secretary of the Treasury the National debt is being reduced by rapid funding to a more manageable form.

The course of business during April has been irregular, and, upon the whole, unsatisfactory. In mercantile circles there has been, perhaps, a fair aggregate of transactions; but business has been a forcing process, and, in most kinds of merchandise, sales have been effected at a steady concession in prices. There has been a fair representation of buyers from all sections; but, finding the markets amply supplied with goods, and having no encouragement in the condition of their local trade to buy liberally, they have had it very much in their power

to control prices. Although there has been simultaneously a curtailment of the production of domestic mills, and a reduction in the volume of the imports, the supply of goods has been materially in excess of the demand, and both importers and manufacturers have incurred material losses.

The month opened with a partial derangement of the money market, growing out of the preparations of the banks throughout the country for their quarterly statement. The process involved a large withdrawal of deposits from the New York banks, and money became very scarce, the rate of interest, in some cases, ranging as high as 7 per cent. in gold. From the middle of the month there was an abatement of the stringency, under the return of deposits by the country banks and the remittance of currency from the Western cities, and the month closed with a very easy market, call loans ranging at 4@6 per cent.

The following are the rates of loans and discounts during the month of March :

RATES OF LOANS AND DISCOUNTS.

	April 5.	April 12.	April 19.	April 26.
Call loans	6 @ 7	6 @ 7	6 @ 7	4 @ 6
Loans on Bonds and Mortgage.....	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	7 @ 7½	6 @ 7	6½ @ 7	6½ @ 7
Good endorsed bills, 3 & 4 mos.....	7½ @ 8	7½ @ 8	7½ @ 8	7½ @ 8
“ “ single names.....	7½ @ 9	8 @ 9	8 @ 9	8 @ 9
Lower grades	8 @10	9 @15	9 @15	10 @18

The occurrence of diplomatic difficulties between France and Prussia, which at one time appeared to render war inevitable, has caused considerable disturbance in the gold and cotton markets, and in our European exchanges. Under the decline in cotton at Liverpool to 10½d., the staple here, at one time, touched 24c., producing embarrassments in the cotton trade, involving the failure of one large firm, and for the time rendering cotton bills almost unnegotiable. The subsequent agreement of France and Prussia to meet in a conference of the powers who were parties to the settlement of 1815, to be held at London on the 12th of May, dissipated the apprehensions of war; there was a consequent reaction in the money markets of London and the Continent; the cotton market of Liverpool suddenly rebounded; and the produce and cotton markets here in sympathy reverted to nearly the condition in which the excitement found them.

At the beginning of the month gold sold at 133½, with a strong tendency to decline, in anticipation of the payment of the May coupons, and sales were made on the 6th at 132½. Subsequently the warlike aspect of affairs in Europe, and a decline of 5 per cent. in Five-twenties in Europe caused the price to advance steadily to about 142. Under a more pacific aspect of affairs, and the recovery of confidence in the European money markets, the price subsequently reacted sharply and closed at 135½. The following table will show the course of quotations during the month :

COURSE OF GOLD AT NEW YORK, APRIL, 1867.

Date.	Open'g	Lowest	High'st	Closing	Date.	Open'g	Lowest	High'st	Closing
Monday	1 183½	183½	184¼	184¼	Sunday	31	183½	183½	183½
Tuesday	2 184¼	184¼	184¼	184¼	Monday	22 183½	183½	183½	183½
Wednesday	3 184¼	183½	184¼	183½	Tuesday	23 183½	183½	183½	183½
Thursday	4 183½	183½	183½	183½	Wednesday	24 183½	183½	141¼	141¼
Friday	5 183½	183½	183½	183½	Thursday	25 140	183½	141¼	140¼
Saturday	6 183½	183½	183½	183½	Friday	26 183½	183½	183½	183½
Sunday	7				Saturday	27 183½	183½	183½	183½
Monday	8 183½	183½	186	185½	Sunday	28			
Tuesday	9 186	184½	186	184½	Monday	29 184½	184½	186½	185½
Wednesday	10 184½	184½	188	187½	Tuesday	30 186½	185½	186½	185½
Thursday	11 187½	186½	187½	186½	April, 1867	183½	182½	141¼	135½
Friday	12 187	186½	187½	186½	" 1866	128½	125	120¼	125½
Saturday	13 186	185½	186	186½	" 1865	151¼	148½	154¼	146¼
Sunday	14				" 1864	167	166¼	164¼	173½
Monday	15 185½	184½	185½	184½	" 1863	157	145½	157½	150½
Tuesday	16 184½	184½	184½	184½	" 1862	102	101¼	102¼	102
Wednesday	17 184½	184½	185½	186½	" 1861	100	100	100	100
Thursday	18 185½	185½	187½	187½	S'ce Jan. 1, 1867	182½	182½	141¼	135½
Friday	19 (Good Fri day.)								
Saturday	20 189	187½	189	188½					

The receipts of gold from California during the month have been large, being \$3,149,654, against \$1,896,857 for March. The exports have been at about the late average rate. The payments for customs duties aggregate \$9,511,075, which is over two millions less than the average for the two preceding months. The Sub-Treasury has sold at about the usual rate during the month. The statement subjoined shows that \$6,833 503 has been derived from sources of the movement of which there is no record; the major part of this having derived from sales by the Sub-Treasury. The movement in specie at New York, during the month, compares as follows with the three months preceding :

	January.	February.	March.	April.	Since Jan. 1.
In banks near 1st	\$13,185,222	\$16,332,964	\$11,579,381	\$8,522,609	\$18,188,222
Receipts from California	2,472,895	1,740,109	1,896,857	3,149,654	9,259,515
Imports of coin and bullion	126,719	186,491	145,867	265,671	674,748
Coin interest paid	7,485,945	541,832	2,630,526	247,629	11,036,932
Total reported supply	\$23,270,781	\$18,781,416	\$16,452,631	\$12,185,563	\$34,205,417
Export of coin and bullion	\$2,551,366	\$2,124,461	\$1,991,141	\$2,108,687	\$8,670,645
Customs duties	9,520,385	11,452,204	12,198,039	9,511,075	4,681,703
Total withdrawn	\$12,071,741	\$13,576,665	\$14,089,180	\$11,614,762	\$51,352,348
Excess of reported supply	\$11,199,040	\$5,154,751	\$2,262,451	\$570,801	\$.....
Excess of withdrawals					17,146,931
Specie in banks at end.	16,332,984	11,579,381	8,522,609	7,404,304	7,404,304
Derived from unreported sources...	\$5,133,944	\$6,424,630	\$6,159,153	\$6,833,503	\$21,551,235

The imports and exports of coin and bullion at the port of New York for each of the last four months and since January 1, have been as shown in the following statement.

MOVEMENT OF COIN AND BULLION AT NEW YORK.

	January.	February.	March.	April.	4 months.
Receipts from California	\$2,472,895	\$1,740,109	\$1,896,857	\$3,149,654	\$9,259,515
Imports from foreign ports	126,719	186,491	145,867	256,671	674,748
Total receipts	\$2,599,614	\$1,876,600	\$2,042,724	\$3,415,325	\$9,934,263
Exports to foreign ports	2,551,366	2,124,461	1,891,141	2,108,687	\$8,670,645
Excess of imports	\$48,253		\$151,583	\$1,311,38	\$1,263,618
Excess of exports		\$247,861			

The following statement shows the amount of receipts and exports in April and since January 1, for the last seven years :

	Receipts from Cal.		Imp. from for'n p'ts		Exp's to for. ports	
	April.	Since Jan. 1.	April.	Since Jan. 1.	April.	Since Jan. 1.
1867.....	\$3,149,654	\$9,250,515	\$365,671	\$674,748	\$2,118,687	\$8,670,645
1868.....	1,539,371	10,584,496	161,817	692,564	588,875	11,147,280
1869.....	2,307,025	6,984,192	236,492	638,706	871,240	8,461,207
1864.....	854,212	4,153,350	285,814	620,191	5,892,077	16,158,682
1863.....	724,934	5,711,615	107,061	546,554	1,972,834	17,148,514
1862.....	1,834,117	8,131,197	24,153	240,144	4,187,675	12,944,101
1861.....	2,961,263	13,180,148	1,953,001	17,035,703	1,412,674	2,576,296

The course of Government securities has been very irregular, in consequence of the decline in bonds at London and on the Continent, from the causes above noted. Foreign dealers here have speculated somewhat freely upon the changes in the foreign markets, and transactions have consequently been unusually large. The changes in the gold premium have, however, prevented the value of bonds here from so far falling below the markets of London and Frankfort as to induce shipments of Five-twenties to this side. We should judge, indeed, that the amount of Five-twenties in Europe has been rather increased than diminished during the month. The demand for bonds from home investors has been unusually active, and all gold-bearing securities close at a considerable advance on the opening quotations :

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—APRIL, 1867.

Date.		Cons for mon.	Am. U. S. 5-20's	securities Ill. C. sh's.	Erle sh's.	Date.		Cons for mon.	Am. U. S. 5-20's	securities. Ill. C. sh's.	Erle sh's.
Monday.....	1	91	74%	79	39%	Thursday.....	18	90%	71%	76%	37%
Tuesday.....	2	91	75	79	39%	Friday.....	19	(Good Friday.)			
Wednesday.....	3	91	75	78%	39	Saturday.....	20	90%	69%	74%	36%
Thursday.....	4	91	75%	78%	38	Sunday.....	21				
Friday.....	5	91	75%	78%	37%	Monday.....	22	(Easter Holiday.)			
Saturday.....	6	91	75%	78%	35	Tuesday.....	23	90%	69	74	36%
Sunday.....	7					Wednesday.....	24	90%	67%	72%	36%
Monday.....	8	90	74%	76%	36%	Thursday.....	25	91	68%	73%	36%
Tuesday.....	9	90%	74%	77	37	Friday.....	26	91	69%	74%	37%
Wednesday.....	10	90%	73%	76%	36	Saturday.....	27	91%	70%	75%	38%
Thursday.....	11	90%	73%	76%	36%	Sunday.....	28				
Friday.....	12	90%	74	76%	36%	Monday.....	29	91	71	76%	41%
Saturday.....	13	90%	74	76%	38	Tuesday.....	30	91	71	76	41
Sunday.....	14										
Monday.....	15	90%	74	76%	38%	Highest.....		91%	75%	79	4%
Tuesday.....	16	91	77%	77%	37%	Lowest.....		90	67%	72%	36
Wednesday.....	17	91	71%	76%	37%	Range.....		1%	7%	6%	5%

The lowest and highest quotations for United States 6's (5 20 years) of 1862, at Paris and Frankfort, in the weeks ending Thursday, have been as follows :

	Apr. 4.	Apr. 11.	Apr. 18.	Apr. 25.
Paris.....	84% @ 84%	84%	@	@
Frankfort.....	77% @ 78%	75% @ 78%	75% @ 76%	72% @ 74%

The amount of Government bonds and notes, State and City bonds, and company bonds, sold at the Stock Exchange board in each of the last four months, and the total since Jan. 1, is given in the table which follows :

	January.	February.	March.	April.	4 months.
United States Bonds.....	\$6,863,300	\$6,150,800	\$5,679,060	\$10,118,800	\$28,812,450
United States Notes.....	1,988,200	1,764,860	1,089,430	1,122,150	5,914,630
State and City Bonds.....	2,524,800	2,422,800	3,936,500	2,117,400	11,011,500
Company Bonds.....	722,500	752,300	731,500	680,400	2,886,700
Total, 1867.....	\$12,108,800	\$11,090,150	\$11,396,480	\$14,038,750	\$48,634,150
" 1866.....	12,156,700	1,822,000	10,632,540	12,056,150	44,656,690

The daily closing prices of the principal government securities are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, APRIL, 1867.

Day of month.	6's, 1881. Coups. Reg.	6's, (5-20 yrs.) 1862. 1864. 1865. new.	5's, 10-40 yrs. 7-20's Coups. 1867.
Monday 1	109%	109%	98%
Tuesday 2	109%	109%	98%
Wednesday 3	109%	109%	98%
Thursday 4	109%	109%	98%
Friday 5	109%	109%	98%
Saturday 6	109%	109%	98%
Sunday 7			
Monday 8	109%	109%	98%
Tuesday 9	109%	109%	98%
Wednesday 10	109%	109%	98%
Thursday 11	109%	109%	98%
Friday 12	109%	109%	98%
Saturday 13	109%	109%	98%
Sunday 14			
Monday 15	109%	109%	98%
Tuesday 16	109%	109%	98%
Wednesday 17	109%	109%	98%
Thursday 18	109%	109%	98%
Friday 19	109%	109%	98%
Saturday 20	109%	109%	98%
Sunday 21			
Monday 22	109%	109%	98%
Tuesday 23	109%	109%	98%
Wednesday 24	109%	109%	98%
Thursday 25	109%	109%	98%
Friday 26	109%	109%	98%
Saturday 27	109%	109%	98%
Sunday 28			
Monday 29	109%	109%	98%
Tuesday 30	110%	110%	98%
First	109%	109%	98%
Lowest	108%	109%	97%
Highest	110%	111%	98%
Range	1%	2%	1%
Latest	110%	111%	98%

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, APRIL, 1867.

Issue of	April 4.	April 11.	April 18.	April 25.
June, 1864	118% @ 118%	118% @ 118%	118% @ 119%	119 @ 119%
July, 1864	117% @ 118%	118 @ 118%	118% @ 118%	118% @ 118%
August, 1864	117% @ 117%	117% @ 117%	117% @ 118%	118 @ 118%
October, 1864	116% @ 116%	116% @ 116%	116% @ 117%	117 @ 117%
December, 1864	115% @ 115%	115% @ 115%	115% @ 116%	116 @ 116%
May, 1865	112% @ 112%	112% @ 113%	113 @ 113%	113 @ 113%
August, 1865	111% @ 111%	111% @ 112%	112 @ 112%	112 @ 112%
September, 1865	111% @ 111%	111 @ 111%	111% @ 111%	111% @ 111%
October, 1865	110% @ 111%	111 @ 111%	111% @ 111%	111% @ 111%

The first series of figures represents the buying and the last the selling prices at first-class brokers' offices.

Contrary to general expectation, the month opened with a general dulness in stock speculation, the stringency of the money market being unfavorable to such operations. During the first two weeks, under the dulness of the market and the disappointment of the anticipations of an advance in prices, a considerable "short" interest was established, which, toward the close of the month, encouraged an active movement for a rise, and the month closed with an advance of about 5 per cent. on the opening quotations. The current speculations are very much confined to brokers, the outside public being apparently too much occupied with business difficulties to take their usual Spring ventures. The total sales for April, at both boards, amount to 2,113,581 shares, against 1,825,802

for March, and 1,754,839 for April, 1866. The sales for the month at both the Stock Exchange and Open Board of Brokers compares as follows :

	January.	February.	March.	April.	4 moe.
Bank shares.....	2,461	1,969	3,435	3,518	11,383
Railroad ".....	2,300,510	1,282,351	1,597,017	1,388,205	6,967,983
Coal ".....	24,286	10,369	33,145	8,368	76,168
Mining ".....	65,375	29,940	28,593	36,050	159,907
Improv't ".....	20,344	18,950	41,975	30,000	111,269
Telegraph ".....	49,501	33,857	34,615	57,275	175,248
Steamship ".....	56,504	91,618	60,561	78,037	306,730
Express &c.....	4,703	6,409	6,562	12,128	29,802
At Exchange Board.....	765,359	634,121	672,926	630,157	2,692,563
At Open Board.....	1,658,335	841,942	1,152,876	1,293,494	4,945,567
Total 1867.....	2,423,694	1,475,963	1,825,802	2,113,581	7,838,430
Total 1866.....	2,459,517	1,743,481	1,968,889	1,754,839	7,926,726

The following are the closing quotations at the regular board, on Friday, of each of the last seven weeks :

	Mar. 15.	Mar. 22.	Mar. 29.	April 5.	Apr. 12.	Apr. 19.	Apr. 26.
Cumberland Coal.....	36½	38½	38	31	29	29½	30½
Quicksilver.....	36	36	34	31½	28½	29	28½
Anton Co.....	47½	46½	46½	45	43½	43	42½
Mariposa pref.....	58½	58	58	58	21½	21	20½
New York Central.....	103½	105½	105½	101½	99½	97½	97½
Erie.....	59½	58½	58½	55½	57½	55½	57½
Hudson River.....	13½	13½	13½	136½	136	136	136
Reading.....	102½	101½	101½	101½	99½	99½	102½
Michigan Southern.....	74½	75½	75½	71½	68½	66½	67½
Michigan Central.....	108½	108½	108	108	107½	107½	107½
Cleveland and Pittsburg.....	82½	78½	79½	76½	69½	69½	76
Cleveland and Toledo.....	119	118½	121½	120	119	112	112½
Northwestern.....	35½	35½	35½	34½	33½	31½	33½
" preferred.....	63½	63½	64	62½	60½	57½	59½
Rock Island.....	96	97½	97½	x.d.90½	87½	85½	88½
Fort Wayne.....	96½	96½	96½	x.d.93½	91½	92½	92½
Illinois Central.....	115½	116	114½	114½	114½	113½	113½

The course of Foreign Exchange has been disturbed by the political derangements in Europe. The heavy decline in cotton has rendered cotton bills to a large extent unavailable, and the sales of that class of paper have been very much of a speculative character, and at very low rates. The financial excitement in Europe appears to have produced no disposition to disturb balances held here on foreign account, there having been no extraordinary demand for bills. The rates, however, have ruled firm, for some days closely bordering on the specie shipping point. The following are the daily quotations :

COURSE OF FOREIGN EXCHANGE (90 DAYS)—APRIL, 1867.

Days.	London. cents for 54 pence.	Paris. centimes for dollar.	Amsterdam. cents for florin.	Bremen. cents for rix daler.	Hamburg. cents for M. banco.	Berlin. cents for thaler.
1.....	108½ @ 109	517½ @ 518½	41½ @ 41½	79 @ 79	36½ @ 36½	72 @ 72½
2.....	108½ @ 109	520 @ 515	40½ @ 41½	78½ @ 78½	36 @ 36½	71½ @ 72
3.....	108½ @ 109	517½ @ 518½	41½ @ 41½	78½ @ 78½	36 @ 36½	72 @ 72½
4.....	108½ @ 108½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	71½ @ 72½
5.....	108½ @ 108½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	72 @ 72½
6.....	108½ @ 108½	521½ @ 517½	40½ @ 41½	78½ @ 79½	35½ @ 36½	71½ @ 72½
7.....						
8.....	109 @ 109½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	72 @ 72½
9.....	109 @ 109½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	72½ @ 72½
10.....	109½ @ 109½	516½ @ 515	41 @ 41½	79 @ 79½	36 @ 36½	72½ @ 72½
11.....	109½ @ 109½	516½ @ 515	40½ @ 41	78½ @ 79½	36 @ 36½	71½ @ 72½
12.....	109½ @ 109½	515 @ 512½	41½ @ 41½	78½ @ 79½	36 @ 36½	72 @ 72½
13.....	109½ @ 109½	520 @ 516½	41½ @ 41½	78½ @ 79	35½ @ 36½	71½ @ 72
14.....						
15.....	109½ @ 109½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	72 @ 72½
16.....	109½ @ 109½	517½ @ 518½	41½ @ 41½	78½ @ 79	36 @ 36½	72 @ 72½
17.....	109½ @ 109½	520 @ 516½	41½ @ 41½	78½ @ 79	36 @ 36½	72 @ 72½
18.....	109½ @ 109½	516½ @ 515	41½ @ 41½	78½ @ 79	36 @ 36½	72½ @ 72½

19.....	109½ @ 109½	515 @ 513½ @ @ @ @
20.....	109½ @ 109½	516½ @ 515	41 @ 41½	78½ @ 79½	86 @ 86½	71½ @ 72½
21.....	.....	.....	.....	.....	.....	.....
22.....	109½ @ 109½	516½ @ 513½	41½ @ 41½	79 @ 79½	86½ @ 86½	72 @ 72½
23.....	109½ @ 109½	52½ @ 513½	41½ @ 41½	78½ @ 79½	86 @ 86½	71½ @ 72½
24.....	109½ @ 109½	521½ @ 515	41 @ 41½	78½ @ 79½	85½ @ 86½	71½ @ 72½
25.....	109½ @ 109½	522½ @ 515	41 @ 41½	78½ @ 79½	86½ @ 86½	71½ @ 72½
26.....	109½ @ 109½	522½ @ 515	41 @ 41½	78½ @ 79½	85½ @ 86½	71½ @ 72½
27.....	109½ @ 109½	520 @ 515	40½ @ 41½	78½ @ 79½	85½ @ 86½	72 @ 72½
28.....	.....	.....	.....	.....	.....	.....
29.....	109½ @ 109½	516½ @ 515	41 @ 41½	79 @ 79½	86½ @ 86½	72½ @ 72½
30.....	109 @ 109	516½ @ 515	41 @ 41½	79 @ 79½	86½ @ 86½	72 @ 72½
Apr.....	108½ @ 10½	522½ @ 513½	40½ @ 41½	78½ @ 79½	85½ @ 86½	71½ @ 72½
Mar.....	108 @ 109½	525 @ 515	40½ @ 41½	78 @ 79½	85½ @ 86½	71½ @ 72½
Feb.....	108½ @ 109	522½ @ 515	40½ @ 41½	78½ @ 79½	86 @ 86½	71½ @ 72½
Jan.....	108½ @ 109½	520 @ 513½	41½ @ 41½	78½ @ 79½	86½ @ 86½	72 @ 72½
Since Jan. 1.....	109 @ 109½	525 @ 513½	40½ @ 41½	78 @ 79½	85½ @ 86½	71½ @ 72½

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Quarterly Report of the National Banks.—Return of the New York, Philadelphia and Boston Banks.

The position of the National Banks throughout the country attracts, with justice, so much of the public attention, that we give a considerable amount of our space to a comparative exhibit of the aggregate of the last quarterly statement, which has been issued more promptly and more fully than usual. We publish 20 tables, comparing the aggregates for various States, and we append those of the whole country at different dates, commencing with October, 1863, when there were but 63 banks, and ending with April, 1867, when there are 1,649. These statistics are not only valuable, to place upon record as a part of the financial history of the time, but they suggest some important facts relative to the banks themselves regarded not only as private enterprises, undertaken by our citizens for the purpose of investing their capital in a safe, lucrative manner but also as public institutions, chartered to perform important functions in connection with the credit machinery and financial organization by which the country develops its productive powers, and grows in material wealth.

As private enterprises, our National Banks, if founded on a sound basis and conducted with ordinary ability, could scarcely fail to prove extremely remunerative, and we have yet to hear of the first instance in which any National Bank, organized on real capital, has got into difficulties, except by the misconduct of its servants, and by a departure from sound principles in its management. A fair estimate of the lucrative character of these institutions may be obtained from our tables of the banks of the whole country. The aggregate capital on which dividends are to be paid to the stockholders is \$418,844,484, and the means adopted with a view to pay these dividends are based on the following business. The aggregate loans are \$597,124,098, and besides these there is invested in bonds, stocks and mortgages the amount of \$443,708,725. Of these investments, United States bonds form the chief part. The aggregate held by all the banks is \$423,518,850—338 millions being for circulation, 38 millions for deposits; and the remainder have been bought to keep

on hand. The banks are thus drawing profit from 1,040 millions of money lent to the Government and to private persons, and it is superfluous to say that this amount of business ought to enable them to pay, on a capital of 418 millions, no inconsiderable profits with very little risk.

This very satisfactory showing, as will be seen from our statistics, compares as follows with the previous returns. In January last the capital of the banks was 420 millions, and the profits were earned from 428 millions of government securities and 608 millions of other loans. In October, 1865, their capital was 415 millions, the profits being made from 426 millions of government bonds, and 601 millions of other loans. In January, 1866, on a capital of 403 millions, the aggregate loans were 956 millions, 440 to the government 516 millions to other borrowers. We might have mentioned the profits accruing from the compound interest notes, of which, during the first two years, from 50 84 millions have been held by the banks and counted as reserve. These accumulating profits now reach a considerable aggregate, but it is not receivable till the notes mature. Enough has been said to show that while on the one hand the excessive profits of 40 or 50 or 60 per cent. per annum, divided, in a few special cases, by National Banks to their shareholders must not be taken as a fair sample of the profits made by the banks generally, still, on the other hand, the business is sufficiently lucrative and safe to offer profits equal if not superior to those averaged by other business of similar security.

But as a part of the financial machinery on which the country relies for a very important part of its trading facilities, there are several requisites which the banks must possess to secure public confidence. As dealers in credit these institutions have to gather up the unemployed capital in their vicinity, and next they have to utilize this capital by making it productive, and lending it on safe and remunerative terms. They must be trusted by the people, and made the receivers of deposits, and they must be resorted to by the people when money is wanted by good borrowers. How is it with our National Banks in these respects? As to the individual deposits, we find they are very large, and show that our people are using the facilities of banks more than they ever did before. It is true that these deposits have fallen off from 563 millions in October last, to 555 millions in January, and to 510 millions in April. But this movement being no greater than is in accordance with the general monetary law that accumulation takes place in the summer, and depletion in the fall and winter, does not, perhaps, indicate anything justifying anxiety. It will, however, bear watching. As to the loans, they have not declined to the same extent as the deposits. The amount is now 597 millions, against 608 millions in January, and 601 millions in October last. To trace these general facts as we ought, and to arrive at our deductions early enough to give them a fair degree of practical value, it is obvious that the reports of the banks should be issued oftener than once a quarter. We trust that Congress will enforce next session the very judicious suggestion of Mr. Hulburt, the Comptroller, on this subject, and cause a more frequent publication of the bank returns. It is also probable that we should get from these returns much more accurate views of the real standing of the banks, if the reports to the Comptroller were called for, as used to be done under our State Bank system, for some past day, instead of for some day in the future. Instead of being tempted to make preparations for a good report of their

standing on a certain day, the banks would be stimulated under the plan we have suggested to keep themselves in a strong position always, and to be ready to give a good report at any time whensoever it might be demanded for publication. Another thing materially affecting the stability and solvency of the banks is the reserves. We shall hereafter offer some remarks on this, which is generally believed, and not without reason, to be the weakest point in our banking system. In October, 1866, 55 banks were short in their reserve or lawful money. How many are now deficient we are not informed. The reports of the Comptroller would be more complete and more useful if this information were given together with the names of the States, if not of the cities, in which the defaulting banks are situated.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5	\$257,862,460	12,794,892	22,762,779	202,588,564	66,026,121	486,987,727
January 12	258,935,488	14,612,477	22,525,103	202,517,608	62,246,370	605,123,006
January 19	255,082,223	16,268,307	22,854,928	201,500,115	62,226,386	520,040,028
January 26	251,674,801	16,014,007	22,967,196	197,962,076	62,426,559	566,822,254
February 2	251,264,255	16,323,98	22,995,247	200,511,596	65,944,541	512,497,254
February 9	250,368,826	16,157,267	22,777,00	198,241,635	67,628,993	568,625,522
February 16	253,121,228	14,791,626	22,956,809	196,072,292	64,642,940	455,832,829
February 23	257,522,994	12,512,466	22,006,141	198,420,347	62,158,962	413,574,086
March 2	261,166,426	11,579,881	22,294,433	198,018,914	63,014,195	466,584,59
March 9	262,111,458	10,868,123	22,409,811	200,238,527	64,822,440	544,172,265
March 16	263,039,973	9,968,722	22,490,682	197,958,004	62,812,099	496,558,19
March 23	259,400,815	9,143,918	22,519,401	197,375,615	60,904,968	472,023,8
March 30	255,182,264	8,522,69	22,669,195	188,480,260	62,459,811	459,580,602
April 6	254,470,027	8,183,813	22,774,572	183,861,269	59,021,775	531,883,184
April 13	250,102,178	8,856,229	22,702,047	182,861,226	60,202,515	523,923,468
April 20	247,561,731	7,622,525	22,648,571	184,090,266	64,096,916	447,514,875
April 27	247,727,281	7,404,204	22,601,225	187,674,341	67,920,251	446,484,222

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	\$20,209,064	52,312,217	908,863	10,288,820	41,208,327
January 12	20,006,255	52,522,491	908,890	10,280,677	41,622,421
January 19	19,442,069	52,454,077	877,545	10,231,595	30,048,645
January 26	19,262,574	52,162,473	890,582	10,234,683	39,001,779
February 2	19,269,128	52,351,180	871,564	10,280,898	39,629,712
February 9	19,659,250	52,284,229	872,614	10,442,922	39,811,595
February 16	18,892,747	52,572,180	897,110	10,222,972	40,060,717
February 23	17,887,598	52,294,721	841,222	10,566,424	38,646,013
March 2	18,150,867	51,979,172	816,842	10,516,600	39,267,288
March 9	17,821,705	51,851,463	822,055	10,572,068	37,214,672
March 16	16,956,69	50,583,294	868,022	10,620,911	38,296,001
March 23	16,071,780	50,572,490	807,438	10,611,927	34,515,546
March 30	16,856,948	50,880,206	802,142	10,621,522	34,150,225
April 6	16,852,745	50,928,221	847,719	10,621,615	33,794,595
April 13	16,188,407	51,283,776	846,625	10,645,367	34,827,683
April 20	16,682,226	51,611,441	826,535	10,647,224	35,620,580
April 27	16,787,201	51,890,939	822,817	10,622,221	36,224,870

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

		Legal				Circulation	
		Loans.	Specie.	Tenders.	Deposits.	National.	State.
January 7	\$97,009,242	1,182,451	17,082,267	40,224,618	24,580,267	212,664	
January 14	93,471,778	1,224,200	16,899,25	40,246,216	24,997,446	311,749	
January 21	95,228,952	1,078,160	16,591,299	38,679,604	24,276,162	307,911	
January 28	97,891,229	1,052,229	18,616,481	39,219,241	21,716,597	302,298	
February 4	97,742,461	966,569	14,394,604	39,708,053	24,691,075	306,014	
February 11	97,264,162	872,296	1,102,479	39,474,869	24,686,663	305,602	
February 18	96,949,473	922,940	15,398,225	38,900,500	24,765,420	305,602	
February 25	95,321,900	779,492	15,741,046	37,893,968	24,263,005	302,228	
Mar. h 4	95,050,727	663,687	15,988,108	38,318,572	24,676,767	301,480	
March 11	92,078,976	696,447	15,719,479	36,712,052	24,846,621	299,518	
March 18	93,156,426	668,994	16,270,979	36,751,723	24,809,523	299,122	
March 25	92,061,080	516,184	16,567,905	36,751,723	24,728,722	299,091	
April 1	91,722,947	435,112	17,122,222	37,056,588	24,842,722	300,025	
April 8	91,679,649	456,751	16,980,418	37,262,775	24,861,522	296,011	
April 15	91,712,414	276,842	16,815,255	37,212,525	24,298,519	297,205	
April 22	92,472,515	242,712	16,549,598	36,207,542	24,852,200	296,701	
April 29	92,228,922	229,854	16,226,564	37,527,092	24,811,427	294,922	

THE NATIONAL BANKS—THEIR CONDITION APRIL 1st, 1867.

QUARTERLY REPORTS OF THE NATIONAL BANKING ASSOCIATIONS OF THE DIFFERENT STATES, APRIL, 1867.

RESOURCES.

	New York.	Massachusetts.	Pennsylvania.	Ohio.	Connecticut.	Illinois.	Rh. Island.	New Jersey.	Maryland.	Indiana.
Loans and discounts.....	95,463,451 66	74,077,451 86	27,778,260 81	96,394,107 53	18,063,736 14	20,285,368 54	18,914,228 80	17,107,632 33	12,062,173 84	
Real Est., furnit. and fixt.....	7,055,551 78	2,180,067 18	2,680,424 21	683,145 00	873,468 55	380,911 37	616,549 07	589,102 66	657,646 27	400,198 98
Expense account.....	2,985,664 47	1,000,588 51	1,000,588 51	1,000,588 51	214,128 58	261,669 21	103,860 16	156,364 11	114,200 26	177,026 88
Premiums paid.....	1,912,601 79	113,724 28	650,808 87	1,179,750 00	1,179,750 00	1,179,750 00	1,179,750 00	1,179,750 00	1,179,750 00	1,179,750 00
Cash items (incl. rev. stamps)	22,171,789 42	15,925,639 46	9,189,641 37	805,006 46	556,322 83	1,777,337 13	457,087 20	672,130 84	976,057 65	56,300 87
Due from National Banks.....	24,107,446 10	15,925,639 46	13,390,741 15	4,907,651 94	5,800,773 81	4,717,337 13	2,618,737 07	4,717,337 13	179,870 84	179,870 84
Due from other banks.....	3,529,084 00	325,614 63	1,468,616 18	906,154 39	301,943 42	830,929 40	2,618,737 07	4,717,337 13	1,694,300 87	1,694,300 87
U. S. bonds to secure circula'n	79,225,350 00	64,196,800 00	41,087,200 00	20,430,000 00	19,736,250 00	10,845,350 00	14,185,350 00	10,330,150 00	10,117,750 00	19,484,800 00
U. S. bonds to secure depositions	8,909,950 00	4,787,950 00	4,889,600 00	5,116,850 00	1,132,000 00	1,532,000 00	410,000 00	780,500 00	488,600 00	1,197,650 00
U. S. bonds to secur. on hand	18,006,600 00	8,013,500 00	7,832,900 00	2,617,750 00	688,950 00	988,820 86	384,681 51	794,500 00	488,600 00	1,685,550 00
Other stocks, bonds & mort.	11,994,172 82	1,554,080 00	1,460,685 41	194,347 65	554,499 61	298,820 86	384,681 51	794,500 00	488,600 00	1,685,550 00
Bills of National Banks.....	2,379,351 00	2,654,985 00	1,304,524 00	962,638 00	258,467 00	762,410 00	332,143 00	452,458 00	434,613 00	341,183 00
Bills of other banks.....	280,039 00	24,076 00	97,459 00	57,818 00	15,342 85	143,706 33	40,745 00	27,108 00	55,770 00	10,993 00
Specie.....	6,029,714 31	593,010 96	981,372 88	108,190 13	136,612 85	143,706 33	45,457 55	166,225 21	470,275 01	60,993 00
Legal Tender Notes.....	39,546,478 88	8,199,001 50	14,426,021 91	5,066,539 19	1,339,062 44	3,888,793 77	936,102 18	1,349,689 73	2,740,654 68	2,054,401 82
Compound Interest Notes.....	33,728,320 00	15,278,960 00	14,038,280 00	3,437,415 00	2,072,530 00	2,244,760 00	1,380,715 00	1,601,660 00	1,892,510 00	1,374,080 00
Aggregate.....	536,134,535 32	224,018,832 12	184,998,441 77	73,534,165 27	61,488,330 14	45,227,392 80	42,077,688 46	40,067,483 57	39,395,806 12	34,575,549 55

LIABILITIES.

Capital stock paid in.....	116,004,911 00	79,532,000 00	48,777,990 00	21,454,700 00	34,534,320 00	11,620,000 00	20,364,800 00	11,823,350 00	12,440,202 00	12,769,416 00
Surplus fund.....	22,059,928 00	11,962,880 18	9,444,773 35	2,337,577 30	3,209,919 15	1,354,511 71	980,024 14	1,802,733 11	1,376,462 46	1,226,570 60
Stat. bank notes outstanding	67,239,383 00	56,215,993 00	38,076,281 00	110,066,869 00	17,308,068 00	9,440,347 00	12,362,339 00	9,049,336 00	8,699,277 00	11,003,253 00
State bank notes outstanding	1,433,197 00	965,148 00	857,365 00	23,743,034 06	11,178,568 36	17,102,692 58	5,710,702 18	14,321,678 46	12,510,512 00	14,566 00
Individual deposits.....	291,340,925 51	57,221,106 96	3,578,343 66	3,360,001 66	11,178,568 36	17,102,692 58	5,710,702 18	14,321,678 46	12,510,512 00	14,566 00
U. S. deposits.....	5,185,683 61	3,390,656 25	3,588,269 32	3,360,001 66	721,765 40	1,083,588 15	385,101 54	665,258 66	592,773 14	508,453 31
Dep'ts of U. S. office s.....	1,184,066 00	67,005 60	24,458 92	104,273 07	28,000 00	43,000 00	23,000 00	32,000 00	17,000 00	107,453 79
Dep'ts of National Banks.....	56,038,608 65	10,964,005 30	8,144,719 32	2,410,463 39	2,948,869 63	7,314,000 00	1,300,111 28	1,913,639 89	17,362 41	136,458 18
Due to other banks & bank's	11,421,265 57	2,812,602 71	4,324,175 69	1,065,110 96	1,477,493 11	897,796 54	865,467 95	913,136 03	605,781 06	605,781 06
Aggregate.....	536,434,535 32	224,018,832 12	184,998,441 77	73,534,165 27	61,488,330 14	45,227,392 80	42,077,688 46	40,067,483 57	39,395,806 12	34,575,549 55

RESOURCES.

	Malne.	Missouri.	Michigan.	Vermont.	Iowa.	N. Hamp b'c.	Wisconsin.	Virginia.	Tennessee.	Kentucky.
Loans and Discounts.....	9,064,085 47	9,721,069 53	6,930,426 98	4,981,928 58	5,082,156 28	3,610,697 28	4,151,356 02	3,581,071 02	2,172,329 40	3,089,649 88
Real estate, furnit. & fixtu's.	232,263 22	379,814 44	267,450 79	99,910 95	2,650 60	19,250 23	180,255 30	243,393 37	89,705 45	113,646 96
Expense account.....	35,826 96	105,214 47	105,900 96	21,617 78	73,407 89	41,033 41	46,593 49	77,257 19	43,374 18	84,314 26
Premiums paid.....	26,504 13	134,122 90	33,569 08	48,887 79	21,003 99	11,679 54	39,123 89	85,656 88	85,237 93	85,104 90
Cash items (incl'g rev st'ps.)	243,419 49	210,405 69	263,741 47	181,092 91	137,542 02	101,715 64	293,124 75	205,608 70	84,654 41	27,560 47
Due from National Banks...	1,521,943 64	1,065,289 31	1,513,545 25	917,853 76	1,070,213 96	640,362 28	1,215,057 77	847,499 07	1,176,367 01	420,207 30
Due from other banks.....	17,106 63	237,753 34	143,360 73	25,063 73	224,304 00	91,957 23	49,619 82	65,284 02	317,128 59	77,744 43
U. S. Bonds to secure circ'n.	8,407,350 00	3,980,100 00	4,267,700 00	6,444,000 00	3,082,150 00	4,707,000 00	2,592,250 00	2,395,840 00	1,360,550 00	2,660,000 00
U. S. Bonds to secure dep't's.	728,800 00	635,000 00	411,100 00	624,300 00	575,150 00	728,160 00	500,000 00	300,000 00	501,000 00	311,360 00
U. S. Bds. & secur. on hand.	950,200 00	351,000 00	310,700 00	616,300 00	286,250 00	864,200 00	415,240 00	57,250 00	460,050 00	140,000 00
Other st'ks, bds., & morg'g's.	124,827 11	609,431 92	247,438 00	24,000 00	151,119 69	62,200 00	30,273 75	51,566 78	163,292 06	...
Bills of National Banks.....	241,177 00	313,510 00	247,138 00	8,000 00	201,350 00	4,183 00	101,522 00	124,389 00	302,850 00	66,467 00
Bills of other banks.....	22,000 00	13,510 00	40,705 00	4,180 00	1,450 00	1,500 00	1,500 00	117,708 51	2,013 38	6,869 01
Specie.....	22,000 00	923,986 70	19,731 73	17,707 91	47,397 07	4,789 47	92,573 97	117,708 51	9,013 38	6,869 01
Legal tender notes.....	669,646 87	1,768,979 06	867,546 96	406,835 12	1,905,531 77	894,698 79	795,641 59	538,917 12	987,510 73	585,332 91
Compound interest notes...	847,430 00	1,000,000 00	867,430 00	570,875 00	714,550 00	831,240 00	677,100 00	161,370 00	468,000 00	947,130 00
Aggregate.....	28,559,276 43	21,065,583 45	16,360,308 20	15,105,206 90	13,790,839 27	11,469,173 91	11,928,573 39	8,798,866 00	8,457,764 13	7,783,359 01

LIABILITIES.

	Capital stock paid in.....	Surplus fund.....	Nat. bank notes outstanding	State bank notes outstanding	Individual deposits.....	United States deposits.....	Deposits of U. S. disb'g off'r	Due to National Banks	Due to other b'ks & bankers	Profits.....
Capital stock paid in.....	9,085,000 00	7,459,300 00	5,080,310 00	6,460,600 00	3,742,000 00	4,735,000 00	2,953,000 00	2,400,000 00	1,720,000 00	2,940,000 00
Surplus fund.....	688,666 96	604,506 97	542,838 51	318,081 66	269,413 26	39,371 50	337,136 73	83,146 23	123,251 73	172,865 97
Nat. bank notes outstanding	7,447,147 00	2,403,230 00	3,812,132 00	5,181,602 00	3,212,191 00	4,148,747 00	2,556,265 00	2,057,730 00	1,094,611 00	2,318,217 00
State bank notes outstanding	98,307 00	110,169 00	905 00	626,265 00	19,326 00	75,593 00	630 00	...	...	...
Individual deposits.....	4,857,958 33	6,219,602 16	5,925,406 97	1,82,429 25	5,692,441 80	1,428,941 37	4,537,297 04	3,389,864 94	4,100,051 04	1,751,885 21
United States deposits.....	413,191 45	565,054 86	325,316 85	226,299 44	379,742 96	633,658 99	179,213 10	322,027 17	1,068,811 15	1,983,266 88
Deposits of U. S. disb'g off'r	61,468 06	3,288 39	118,176 22	43,342 00	128,433 09	53,295 92	123,192 26	178,165 73	13,203 70	15,653 77
Due to National Banks	205,740 66	141,262 59	141,262 59	15,669 44	36,594 40	4,191 04	199,089 82	94,801 56	24,861 56	181,128 83
Due to other b'ks & bankers	301,635 28	717,594 58	88,265 17	6,639 69	64,998 09	4,178 41	62,371 69	97,416 43	162,965 84	162,965 84
Profits.....	70,635 28	931,078 24	384,671 01	400,080 92	345,748 67	301,046 18	210,749 12	160,610 43	294,497 58	198,376 96
Aggregate.....	23,559,276 43	31,005,587 45	16,360,308 20	15,105,206 90	13,790,839 27	11,469,173 91	11,928,573 39	8,798,866 00	8,457,764 13	7,783,359 01

QUARTERLY REPORTS OF THE NATIONAL BANKING ASSOCIATIONS OF THE UNITED STATES.

REBOUTROUS.

[illegible]**LIABILITIES.**[illegible]

COPY OF THE UNITED STATES BANKRUPT LAW.

AN ACT TO ESTABLISH A UNIFORM SYSTEM OF BANKRUPTCY THROUGHOUT THE UNITED STATES.

Courts of Bankruptcy.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the several district courts of the United States be, and they hereby are, constituted courts of bankruptcy, and they shall have original jurisdiction in their respective districts in all matters and proceedings in bankruptcy, and they are hereby authorized to hear and adjudicate upon the same according to the provisions of this act. The said courts shall be always open for the transaction of business under this act, and the powers and jurisdiction hereby granted and conferred shall be exercised as well in vacation as in term time, and a judge sitting in chambers shall have the same powers and jurisdiction, including the power of keeping order and of punishing any contempt of his authority, as when sitting in court. And the jurisdiction hereby conferred shall extend to all cases and controversies arising between the bankrupt and any creditor or creditors who shall claim any debt or demand under the bankruptcy; to the collection of all the assets of the bankrupt; to the ascertainment and liquidation of the liens and other specific claims thereon; to the adjustment of the various priorities and conflicting interests of all parties, and to the marshalling and disposition of the different funds and assets, so as to secure the rights of all parties and due distribution of the assets among all the creditors; and to all acts, matters, and things to be done under and in virtue of the bankruptcy, until the final distribution and settlement of the estate of the bankrupt, and the close of the proceedings in bankruptcy. The said courts shall have full authority to compel obedience to all orders and decrees passed by them in bankruptcy, by process of contempt and other remedial process, to the same extent that the circuit courts now have in any suit pending therein in equity. Said courts may sit for the transaction of business in bankruptcy at any place in the district, of which place, and the time of holding court, they shall have given notice, as well as at the place designated by law for holding such courts.

SEC. 2. And be it further enacted, That the several circuit courts of the United States within and for the districts where the proceedings in bankruptcy shall be pending shall have a general superintendence and jurisdiction of all cases and questions arising under this act; and, except when special provision is otherwise made, may, upon bill, petition, or other proper process, of any party aggrieved, hear and determine the case as a court of equity. The powers and jurisdiction hereby granted may be exercised either by said court or by any justice thereof, in term time or vacation. Said circuit courts shall also have concurrent jurisdiction with the district courts of the same district, of all suits at law or in equity, which may or shall be brought by the assignee in bankruptcy against any person claiming an adverse interest, or by such person against such assignee, touching any property or rights of property of said bankrupt transferable to or vested in such assignee; but no suit at law or in equity shall in any case be maintainable by or against such assignee, or by or against any person claiming an adverse interest, touching the property and rights of property aforesaid, in any court whatsoever, unless the same shall be brought within two years from the time the cause of action accrued, for or against such assignee: Provided, That nothing herein contained shall revive a right of action barred at the time such assignee is appointed.

Of the Administration of the Law in Courts of Bankruptcy.

SEC. 3. And be it further enacted, That it shall be the duty of the judges of the *district* courts of the United States within and for the several districts to appoint in each congressional district in said districts, [upon the nomination and recommendation of the Chief Justice of the Supreme Court of the United States.] one or more registers in bankruptcy, to assist the judge of the district court in the performance of his duties under this act. No person shall be eligible to such appointment unless he be a counsellor of said court, or of some one of the courts of record of the State in which he resides. Before entering upon the duties of his office, every person so appointed a register in bankruptcy shall give a bond to the United States, with condition that he will faithfully discharge the duties of his office, in a sum not less than one thousand dollars, to be fixed by said court, with sureties satisfactory to said court, or to either of the said justices thereof; and he shall, in open court, take and subscribe the oath prescribed in the act entitled "An act to prescribe an oath of office, and for other purposes," approved July second, eighteen hundred and sixty-two, and also that he will not during his continuance in office be, directly or indirectly, interested in or benefited by the fees or emoluments arising from any suit or matter pending in bankruptcy in either the district or circuit court in his district.

SEC. 4. And be it further enacted, That every register in bankruptcy, so appointed and qualified, shall have power, and it shall be his duty, to make adjudication of bankruptcy, to receive the surrender of any bankrupt, to administer oaths in all proceedings before him, to hold and preside at meetings of creditors, to take proof of debts, to make all computations of dividends, and all orders of distribution, and to furnish the assignee with a certified copy of such orders, and of the schedules of creditors and assets filed in each case, to audit and pass accounts of assignees, to grant protection, to pass the last examination of any bankrupt in cases whenever the assignee or a creditor do not oppose, and to sit in chambers and despatch there such part of the administrative business of the court and such uncontested matters as shall be defined in general rules and orders, or as the district judge shall in any particular matter direct; and he shall also make short memoranda of his proceedings in each case in which he shall act, in a docket to be kept by him for that purpose, and he shall forthwith, as the proceedings are taken, forward to the clerk of the district court a certified copy of said memoranda, which shall be entered by said clerk in the proper minute book to be kept in his office, and any register of the court may act for any other register thereof: Provided, however, That nothing in this section contained shall empower a register to commit for contempt, or to hear a disputed adjudication, or any question of the allowance or suspension of an order of discharge; but in all matters where an issue of fact or of law is raised and contested by any party to the proceedings before him, it shall be his duty to cause the question or issue to be stated by the opposing parties in writing, and he shall adjourn the same into court for decision by the judge. No register shall be of counsel or attorney, either in or out of court, in any suit or matter pending in bankruptcy, in either the circuit or district court of his district, nor in an appeal therefrom; nor shall he be executor, administrator, guardian, commissioner, appraiser, divider, or assignee, of or upon any estate within the jurisdiction of either of said courts of bankruptcy, nor be interested in the fees or emoluments arising from either of said trusts. The fees of said registers, as established by this act, and by the general rules and orders required to be framed under it, shall be paid to them by the parties from whom the services may be rendered in the course of proceedings authorized by this act.

SEC. 5. And be it further enacted, That the judge of the district court may direct a register to attend any place within the district, for the purpose of hearing such voluntary applications under this act as may not be opposed, of attending any meeting of creditors, or receiving any proof of debts, and, generally, for the prosecution of any bankruptcy or other proceedings under this act; and the travel-

ing and incidental expenses of such register, and of any clerk or other officer attending him, incurred in so acting, shall be settled by said court in accordance with the rules prescribed under the tenth section of this act, and paid out of the assets of the estate in respect of which such register has so acted; or if there be no such assets, or if the assets shall be insufficient, then such expenses shall form a part of the costs in the case or cases in which the register shall have acted in such journey, to be apportioned by the judges; and such register, so acting, shall have and exercise all powers, except the power of commitment, vested in the district court for the summoning and examination of persons or witnesses, and for requiring the production of books, papers and documents: Provided always, That all depositions of persons and witnesses taken before said register, and all acts done by him, shall be reduced to writing and be signed by him, and shall be filed in the clerk's office as part of the proceedings. Such register shall be subject to removal by the judge of the district court, and all vacancies occurring by such removal, or by resignation, change of residence, death, or disability, shall be promptly filled by other fit persons, unless said court shall deem the continuance of the particular office unnecessary.

SEC. 6. And be it further enacted, That any party shall, during the proceedings before a register, be at liberty to take the opinion of the district judge upon any point or matter arising in the course of such proceedings, or upon the result of such proceedings, which shall be stated by the register in the shape of a short certificate to the judge, who shall sign the same if he approve thereof; and such certificate, so signed, shall be binding on all the parties to the proceeding; but every such certificate may be discharged or varied by the judge at chambers or in open court. In any bankruptcy, or in any other proceedings within the jurisdiction of the court under this act, the parties concerned, or submitting to such jurisdiction, may at any stage of the proceedings, by consent, state any question or questions in a special case for the opinion of the court; and the judgment of the court shall be final, unless it be agreed and stated in such special case that either party may appeal, if, in such case, an appeal is allowed by this act. The parties may also, if they think fit, agree, that upon the the question or questions raised by such special case being finally decided, a sum of money, fixed by the parties, or to be ascertained by the court, or in such manner as the court may direct, or any property, or the amount of any disputed debt or claim, shall be paid, delivered, or transferred by one of such parties to the other of them either with or without costs.

SEC. 7. And be it further enacted, That parties and witnesses summoned before a register shall be bound to attend in pursuance of such summons at the place and time designated therein, and shall be entitled to protection, and be liable to process of contempt in like manner as parties and witnesses are now liable thereto in case of default in attendance under any writ of subpoena: and all persons wilfully and corruptly swearing or affirming falsely before a register shall be liable to all the penalties, punishments, and consequences of perjury. If any person examined before a register shall refuse or decline to answer, or to swear to or sign his examination when taken, the register shall refer the matter to the judge, who shall have power to order the person so acting to pay the costs thereby occasioned, if such person be compellable by law to answer such question or to sign such examination, and such person shall be liable to be punished for contempt.

Of Appeals and Practice.

SEC. 8. And be it further enacted, That appeals may be taken from the district to the circuit courts in all cases in equity, and writs of error may be allowed to said circuit courts from said district courts in cases at law under the jurisdiction created by this act when the debt or damages claimed amount to more than five hundred dollars; and any supposed creditor, whose claim is wholly or

in part rejected, or an assignee who is dissatisfied with the allowance of a claim, may appeal from the decision of the district court to the circuit court for the same district ; but no appeal shall be allowed in any case from the district to the circuit court unless it is claimed, and notice given thereof to the clerk of the district court, to be entered with the record of the proceedings, and also to the assignee or creditor, as the case may be, or to the defeated party in equity, within ten days after the entry of the decree or decision appealed from. The appeal shall be entered at the term of the circuit court which shall be first held within and for the district next after the expiration of ten days from the time of claiming the same. But if the appellant in writing waives his appeal before any decision thereon, proceedings may be had in the district court as if no appeal had been taken and no appeal shall be allowed unless the appellant at the time of claiming the same shall give bond in manner now required by law in cases of such appeals. No writ of error shall be allowed unless the party claiming it shall comply with the statutes regulating the granting of such writs.

SEC. 9. And be it further enacted, That in cases arising under this act no appeal or writ of error shall be allowed in any case from the circuit courts to the Supreme Court of the United States, unless the matter in dispute in such case shall exceed two thousand dollars.

SEC. 10. And be it further enacted, That the Justices of the Supreme Court of the United States to the provisions of this act, shall frame general orders for the following purposes :

For regulating the practice and procedure of the district courts in bankruptcy, and the several forms of petitions, orders, and other proceedings to be used in said courts in all matters under this act :

For regulating the duties of the various officers of said courts ;

For regulating the fees payable, and the charges and costs to be allowed, except such as are established by this act or by law, with respect to all proceedings in bankruptcy before said courts, not exceeding the rate of fees now allowed by law for similar services in other proceedings :

For regulating the practice and procedure upon appeals ;

For regulating the filing, custody, and inspection of records ;

And generally for carrying the provisions of this act into effect.

After such general orders shall have been so framed, they, or any of them, may be rescinded or varied, and other general orders may be framed in manner aforesaid, and all such general orders so framed shall, from time to time, by the Justices of the Supreme Court be reported to Congress, with such suggestions as said justices may think proper.

Voluntary Bankruptcy—Commencement of Proceedings.

SEC. 11. And be it further enacted, That if any person residing within the jurisdiction of the United States, owing debts provable under this act exceeding the amount of three hundred dollars, shall apply by petition, addressed to the judge of the judicial district in which such debtor has resided or carried on business for the six months next immediately preceding the time of filing such petition, or for the longest period during such six months, setting forth his place of residence, his inability to pay all his debts in full, his willingness to surrender all his estate and effects for the benefit of his creditors, and his desire to obtain the benefit of this act, and shall annex to his petition a schedule, verified by oath before the court, or before a register in bankruptcy, or before one of the commissioners of the circuit court of the United States, containing a full and true statement of all his debts, and as far as possible, to whom due, with the place of residence of each creditor, if known to the debtor, and if not known, the fact to be so stated, and the sum due to each creditor, also the nature of each debt or demand, whether founded on written security, obligation, contract, or otherwise, and also the true cause and consideration of such indebtedness in each

case, and the place where such indebtedness accrued, and a statement of any existing mortgage, pledge, lien, judgment, or collateral or other security given for the payment of the same; and shall also annex to his petition an accurate inventory, verified in like manner, of all his estate, both real and personal, assignable under this act, describing the same, and stating where it is situated, and whether there are any, and, if so, what incumbrances thereon, the filing of such petition shall be an act of bankruptcy, and such petitioner shall be adjudged a bankrupt; Provided that all citizens of the United States, petitioning to be declared bankrupt, shall, in filing such petition, and before any proceedings thereon, take and subscribe an oath of allegiance and fidelity to the United States, which oath shall be filed and recorded with the proceedings in bankruptcy. And the judge of the district courts, or, if there be no opposing party, any register of said court, to be designated by the judge, shall forthwith, if he be satisfied that the debts due from the petitioner exceed three hundred dollars, issue a warrant, to be signed by such judge or register, directed to the marshal of said district, authorizing him forthwith, as messenger, to publish notices in such newspapers as the warrant specifies; to serve written or printed notice, by mail or personally, on all creditors upon the schedule filed with the debtor's petition, or whose names may be given to him, in addition, by the debtor, and to give such personal or other notice to any persons concerned as the warrant specifies, which notice shall state:

First. That a warrant in bankruptcy has been issued against the estate of the debtor.

Second. That the payment of any debts and the delivery of any property belonging to such debtor to him or for his use, and the transfer of any property by him, are forbidden by law.

Third. That a meeting of the creditors of the debtor, giving the names, residences, and amounts, so far as known, to prove their debts and choose one or more assignees of his estate, will be held at a court of bankruptcy, to be holden at a time and place designated in the warrant, not less than ten nor more than ninety days after the issuing of the same.

Of Assignments and Assignees.

SEC. 12. And be it further enacted, That at the meeting held in pursuance of the notice, one of the registers of the court shall preside, and the messenger shall make return of the warrant and of his doings thereon; and if it appears that the notice to the creditors has not been given as required in the warrant, the meeting shall forthwith be adjourned, and a new notice given as required. If the debtor dies after the issuing of the warrant, the proceedings may be continued and concluded in like manner as if he had lived.

SEC. 13. And be it further enacted, That the creditors shall, at the first meeting held after due notice from the messenger, in presence of a register designated by the court, choose one or more assignees of the estate of the debtor; the choice to be made of the greater part in value and in number of the creditors who have proved their debts. If no choice is made by the creditors at said meeting, the judge, or, if there be no opposing interest, the register, shall appoint one or more assignees. If an assignee, so chosen or appointed, fails within five days to express in writing his acceptance of the trust, the judge or register may fill the vacancy. All elections or appointments of assignees shall be subject to the approval of the judge; and when in his judgment it is for any cause needful or expedient, he may appoint additional assignees, or order a new election. The judge at any time may, and, upon the request in writing of any creditor who has proved his claim, shall require the assignee to give good and sufficient bond to the United States, with a condition for the faithful performance and discharge of his duties; the bond shall be approved by the judge or register by his indorsement thereon, shall be filed with the record of the case, and inure to the benefit

of all creditors proving their claims, and may be prosecuted in the name and for the benefit of any injured party. If the assignee fails to give the bond within such time as the judge orders, not exceeding ten days after notice to him of such order, the judge shall remove him and appoint another in his place.

SEC. 14. And be it further enacted, That as soon as said assignee is appointed and qualified, the judge, or, where there is no opposing interest, the register, shall, by an instrument under his hand, assign and convey to the assignee all the estate, real and personal, of the bankrupt, with all his deeds, books, and papers relating thereto, and such assignment shall relate back to the commencement of said proceedings in bankruptcy, and thereupon, by operation of law, the title to all such property and estate, both real and personal, shall vest in said assignee, although the same is then attached on mesne process as the property of the debtor, and shall dissolve any such attachment made within four months next preceding the commencement of said proceedings: Provided, however, That there shall be excepted from the operation of the provisions of this section the necessary household and kitchen furniture, and such other articles and necessaries of such bankrupt as the said assignee shall designate and set apart, having reference in the amount to the family, condition and circumstances of the bankrupt, but altogether not to exceed in value, in any case, the sum of five hundred dollars; and also the wearing apparel of such bankrupt, and that of his wife and children, and the uniform, arms and equipments of any person who is or has been a soldier in the militia or in the service of the United States, and such other property as now is, or hereafter shall be, exempted from attachment, or seizure, or levy on execution by the laws of the United States, and such other property not included in the foregoing exceptions as is exempted from levy and sale upon execution or other process, or order of any court, by the laws of the State in which the bankrupt has his domicile at the time of the commencement of the proceedings in bankruptcy, to an amount not exceeding that allowed by such State exemption laws in force in the year eighteen hundred and sixty-four. Provided, That the foregoing exception shall operate as a limitation upon the conveyance of the property of the bankrupt to his assignees, and in no case shall the property hereby exempted pass to the assignees, or the title of the bankrupt therein be impaired or affected by any of the provisions of this act; and the determination of the assignee in the matter shall, on exception taken, be subject to the final decision of the said court: And provided further, That no mortgage of any vessel or of any other goods or chattels, made as security for any debt or debts, in good faith and for present considerations, and otherwise valid, and duly recorded, pursuant to any statute of the United States, or of any State, shall be invalidated or affected hereby; and all the property conveyed by the bankrupt in fraud of his creditors; all rights in equity, choses in action, patents and patent rights and copyrights; all debts due him, or any person for his use, and all liens and securities therefor; and all his rights of action for property or estate, real or personal, and for any cause of action which the bankrupt had against any person arising from contract or from the unlawful taking or detention or of injury to the property of the bankrupt; and all his rights of redeeming such property or estate, with the like right, title, power, and authority to sell, manage, dispose of, sue for, and recover or defend the same, as the bankrupt might or could have had if no assignment had been made shall, in virtue of the adjudication of bankruptcy and the appointment of his assignee, be at once vested in such assignee; and he may sue for and recover the said estate, debts, and effects, and may prosecute and defend all suits at law or in equity, pending at the time of the adjudication of bankruptcy, in which such bankrupt is a party in his own name, in the same manner and with the like effect as they might have been presented or defended by such bankrupt; and a copy, duly certified by the clerk of the court under the seal thereof, of the assignment made by the judge or register, as the case may be, to him as assignee, shall be conclusive evidence of his title as such assignee to take, hold, sue for, and recover the property of the bankrupt, as hereinbefore mentioned; but no property held by

the 'anrupt in trust shall pass by such assignment. No person shall be entitled to maintain an action against an assignee in bankruptcy for anything done by him as such assignee, without previously giving him twenty days' notice of such action, specifying the cause thereof, to the end that such assignee may have an opportunity of tendering amends, should he see fit to do so. No person shall be entitled, as against the assignee, to withhold from him possession of any books of account of the bankrupt, or claim any lien thereon; and no suit in which the assignee is a party shall be abated by his death or removal from office, but the same may be prosecuted and defended by his successors, or by the surviving or remaining assignee, as the case may be. The assignee shall have authority, under the order and direction of the court, to redeem or discharge any mortgage or conditional contract, or pledge or deposit, or lien upon any property, real or personal, whenever payable, and to tender due performance of the condition thereof, or to sell the same subject to such mortgage, lien, or other incumbrances. The debtor shall also, at the request of the assignee, and at the expense of the estate, make and execute any instruments, deeds, and writings which may be proper, to enable the assignee to possess himself fully of all the assets of the bankrupt. The assignee shall immediately give notice of his appointment by publication, at least once a week for three successive weeks, in such newspapers as shall, for that purpose, be designated by the court, due regard being had to their general circulation in the district or in that portion of the district in which the bankrupt and his creditors shall reside, and shall, within six months, cause the assignment to him to be recorded in every registry of deeds or other office within the United States where a conveyance of any lands owned by the bankrupt ought by law to be recorded; and the record of such assignment, or a duly certified copy thereof, shall be evidence thereof in all courts.

SEC. 15. And be it further enacted, That the assignee shall demand and receive from any and all persons holding the same, all the estate assigned or intended to be assigned, under the provisions of this act; and he shall sell all such unincumbered estate, real and personal, which comes to his hands, on such terms as he thinks most for the interest of the creditors; but upon petition of any person interested, and for cause shown, the court may make such order concerning the time, place, and manner of sale, as will, in his opinion, prove to the interest of the creditors; and the assignee shall keep a regular account of all money received by him as assignee, to which every creditor shall, at reasonable times, have free resort.

SEC. 16. And be it further enacted, That the assignee shall have the like remedy to recover all said estate, debts, and effects in his own name, as the debtor might have had if the decree in bankruptcy had not been rendered and no assignment had been made. If, at the time of the commencement of the proceedings in bankruptcy an action is pending in the name of the debtor for the recovery of a debt or other thing which might or ought to pass to the assignee by the assignment, the assignee shall, if he require it, be admitted to prosecute the action in his own name, in like manner and with like effect as if it had been originally commenced by him. No suit pending in the name of the assignee shall be abated by his death or removal; but upon the motion of the surviving, or remaining, or new assignee, as the case may be, he shall be admitted to prosecute the suit, in like manner and with like effect as if it had been originally commenced by him. In suits prosecuted by the assignee, a certified copy of the assignment made to him by the judge or register shall be conclusive evidence of his authority to sue.

SEC. 17. And be it further enacted, That the assignee shall, as soon as may be after receiving any money belonging to the estate, deposit the same in some bank in his name as assignee, or otherwise keep it distinct and apart from all other money in his possession; and shall, as far as practicable, keep all goods and effects belonging to the estate separate and apart from all other goods in his possession, or designated by appropriate marks, so that they may be easily and

clearly distinguished, and may not be exposed or liable to be taken as his property for the payment of his debts. When it appears that the distribution of the estate may be delayed by litigation or other cause, the court may direct the temporary investment of the money belonging to such estate in securities to be approved by the judge or a register of said court, or may authorize the same to be deposited in any convenient bank, upon such interest, not exceeding the legal rate, as the bank may contract with the assignee to pay thereon. He shall give written notice to all known creditors, by mail or otherwise, of all dividends, and such notice of meetings, after the first, as may be ordered by the court. He shall be allowed, and may retain, out of money in his hands, all the necessary disbursements made by him in the discharge of his duty, and a reasonable compensation for his services, in the discretion of the court. He may, under the direction of the court, submit any controversy arising in the settlement of demands against the estate, or of debts due to it, to the determination of arbitrators, to be chosen by him and the other party to the controversy, and may, under such direction, compound and settle any such controversy by agreement with the other party, as he thinks proper and most for the interest of the creditors.

SEC. 18. And be it further enacted, That the court, after due notice and hearing, may remove an assignee for any cause which, in the judgment of the court, renders such removal necessary or expedient. At a meeting called by order of the court in its discretion for the purpose, or which shall be called upon the application of a majority of the creditors in number and value, the creditors may, with consent of the court, remove any assignee by such a vote as is hereinbefore provided for the choice of assignee. An assignee may, with the consent of the judge, resign his trust and be discharged therefrom. Vacancies caused by death or otherwise in the office of assignee may be filled by appointment of the court, or, at its discretion, by an election by the creditors, in the manner hereinbefore provided, at a regular meeting, or at a meeting called for the purpose, with such notice thereof in writing to all known creditors, and by such person, as the court shall direct. The resignation or removal of an assignee shall in no way release him from performing all things requisite on his part for the proper closing up of his trust and the transmission thereof to his successors, nor shall it affect the liability of the principal or surety on the bond given by the assignee. When, by death or otherwise, the number of assignees is reduced, the estate of the debtor not lawfully disposed of shall vest in the remaining assignee or assignees, and the person selected to fill vacancies, if any, with the same powers and duties relative thereto, as if they were originally chosen. Any former assignee, his executors, or administrators, upon request, and at the expense of the estate, shall make and execute to the new assignee all deeds, conveyances, and assurances, and do all other lawful acts requisite to enable him to recover and receive all the estate. And the court may make all orders which it may deem expedient to secure the proper fulfilment of the duties of any former assignee, and the rights and interests of all persons interested in the estate. No person who has received any preference contrary to the provisions of this act shall vote for or be eligible as assignee; but no title to property, real or personal, sold, transferred, or conveyed by an assignee, shall be affected or impaired by reason of his ineligibility. An assignee refusing or unreasonably neglecting to execute an instrument when lawfully required by the court, or disobeying a lawful order or decree of the court in the premises, may be punished as for a contempt of court.

Of Debts, and Proof of Claims.

SEC. 19. And be it further enacted, That all debts due and payable from the bankrupt at the time of the adjudication of bankruptcy, and all debts then existing but not payable until a future day, a rebate of interest being made when

no interest is payable by the terms of contract, may be proved against the estate of the bankrupt. All demands against the bankrupt for or on account of any goods or chattels wrongfully taken, converted, or withheld by him, may be proved and allowed as debts to the amount of the value of the property so taken or withheld with interest. If the bankrupt shall be bound as drawer, indorser, surety, bail, or guarantor upon any bill, bond, note, or any other specialty or contract, or for any debt of another person, and his liability shall not have become absolute until after the adjudication of bankruptcy, the creditor may prove the same after such liability shall have become fixed, and before the final dividend shall have been declared. In all cases of contingent debts and contingent liabilities contracted by the bankrupt, and not herein otherwise provided for, the creditor may make claim therefor, and have his claim allowed, with the right to share in the dividends, if the contingency shall happen before the order for the final dividend; or he may at any time apply to the court to have the present value of the debt or liability ascertained and liquidated, which shall then be done in such manner as the court shall order, and he shall be allowed to prove for the amount so ascertained. Any person liable as bail, surety, guarantor, or otherwise for the bankrupt, who shall have paid the debt or any part thereof in discharge of the whole, shall be entitled to prove such debt, or to stand in the place of the creditor if he shall have proved the same, although such payments shall have been made after the proceedings in bankruptcy were commenced. And any person so liable for the bankrupt, and who has not paid the whole of said debt, but is still liable for the same or any part thereof, may, if the creditor shall fail or omit to prove such debt, prove the same either in the name of the creditor, or otherwise, as may be provided by the rules, and subject to such regulations and limitations as may be established by such rules. Where the bankrupt is liable to pay rent, or other debt falling due at fixed and stated periods, the creditor may prove for a proportionate part thereof up to the time of the bankruptcy, as if the same grew due from day to day, and not at such fixed and stated periods. If any bankrupt shall be liable for unliquidated damages arising out of any contract or promise, or on account of any goods or chattels wrongfully taken, converted or withheld, the court may cause such damages to be assessed in such mode as it may deem best, and the sum so assessed may be proved against the estate. No debts other than those above specified shall be proved or allowed against the estate.

SEC. 20. And be it further enacted, That, in all cases of mutual debts or mutual credits between the parties, the account between them shall be stated, and one debt set-off against the other, and the balance only shall be allowed or paid, but no set-off shall be allowed of a claim in its nature not provable against the estate: Provided, That no set-off shall be allowed in favor of any debtor to the bankrupt of a claim purchased by or transferred to him after the filing of the petition. When a creditor has a mortgage or pledge of real or personal property of the bankrupt, or a lien thereon for securing the payment of a debt owing to him from the bankrupt, he shall be admitted as a creditor only for the balance of the debt after deducting the value of such property, to be ascertained by agreement between him and the assignee, or by the sale thereof, to be made in such manner as the court shall direct; or the creditor may release or convey his claim to the assignee upon such property, and be admitted to prove his whole debt. If the value of the property exceeds the sum for which it is so held as security, the assignee may release to the creditor the bankrupt's right of redemption therein on receiving such excess; or he may sell the property, subject to the claim of the creditor thereon, and in either case the assignee and creditor, respectively, shall execute all deeds and writings necessary or proper to consummate the transaction. If the property is not so sold or released and delivered up, the creditor shall not be allowed to prove any part of his debt.

SEC. 21. And be it further enacted, That no creditor proving his debt or claim shall be allowed to maintain any suit at law or in equity therefor against the bankrupt, but shall be deemed to have waived all right of action and suit against

the bankrupt, and all proceedings already commenced, or unsatisfied judgments already obtained thereon, shall be deemed to be discharged and surrendered thereby; and no creditor whose debt is provable under this act shall be allowed to prosecute to final judgment any suit at law or in equity therefor against the bankrupt, until the question of the debtor's discharge shall have been determined; and any such suit or proceedings shall, upon the application of the bankrupt, be stayed to await the determination of the court in bankruptcy on the question of the discharge, provided there be no unreasonable delay on the part of the bankrupt in endeavoring to obtain his discharge; and provided, also, that if the amount due the creditor is in dispute, the suit, by leave of the court in bankruptcy, may proceed to judgment for the purpose of ascertaining the amount due, which amount may be proved in bankruptcy, but execution shall be stayed as aforesaid. If any bankrupt shall, at the time of adjudication, be liable upon any bill of exchange, promissory note, or other obligation in respect of distinct contracts as a member of two or more firms carrying on separate and distinct trades, and having distinct estates to be wound up in bankruptcy, or as a sole trader, and also as a member of a firm, the circumstance that such firms are in whole or in part composed of the same individuals, or that the sole contractor is also one of the joint contractors, shall not prevent proof and receipt of dividend in respect of such distinct contracts against the estates respectively liable upon such contracts.

SEC. 22. And be it further enacted, That all proofs of debts against the estate of the bankrupt, by or in behalf of creditors residing within the judicial district where the proceedings in bankruptcy are pending, shall be made before one of the registers of the court in said district, and by or in behalf of non-resident debtors before any register in bankruptcy in the judicial districts where such creditors, or either of them, reside, or before any commissioner of the circuit court authorized to administer oaths in any district. To entitle a claimant against the estate of a bankrupt to have his demand allowed, it must be verified by a deposition in writing on oath or solemn affirmation before the proper register or commissioner, setting forth the demand, the consideration thereof, whether any and what securities are held therefor, and whether any and what payments have been made thereon; that the sum claimed is justly due from the bankrupt to the claimant; that the claimant has not, nor has any other person for his use, received any security or satisfaction whatever other than that by him set forth; that the claim was not procured for the purpose of influencing the proceedings under this act, and that no bargain or agreement, express or implied, has been made or entered into, by or on behalf of such creditor, to sell, transfer, or dispose of the said claim, or any part thereof, against such bankrupt, or take or receive, directly or indirectly, any money, property or consideration whatever, whereby the vote of such creditor or assignee, or any action on the part of such creditor or any other person in the proceedings under this act, is or shall be in any way affected, influenced or controlled, and no claim shall be allowed unless all the statements set forth in such deposition shall appear to be true. Such oath or solemn affirmation shall be made by the claimant testifying of his own knowledge, unless he is absent from the United States or prevented by some other good cause from testifying, in which cases the demand may be verified in like manner by the attorney or authorized agent of the claimant testifying to the best of his knowledge, information and belief, and setting forth his means of knowledge, or, if in a foreign country, the oath of the creditor may be taken before any minister, consul, or vice-consul of the United States; and the court may, if it shall see fit, require or receive further pertinent evidence, either for or against the admission of the claim. Corporations may verify their claims by the oath or solemn affirmation of their president, cashier, or treasurer. If the proof is satisfactory to the register or commissioner, it shall be signed by the deponent and delivered or sent by mail to the assignee, who shall examine the same and compare it with the books and accounts of the bankrupt, and shall register, in a book to be kept by him for that purpose, the names of creditors who have proved

their claims, in the order in which such proof is received, stating the time of receipt of such proof, and the amount and nature of the debts, which books shall be open to the inspection of all the creditors. The court may, on the application of the assignee, or of the bankrupt, or without any application, examine upon oath the bankrupt or any person tendering or who has made proof of claims, and may summon any person capable of giving evidence concerning such proof, or concerning the debt sought to be proved, and shall reject all claims not duly proved, or where the proof shows the claim to be founded in fraud, illegality, or mistake.

SEC. 23. And be it further enacted, That when a claim is presented for proof before the election of the assignee, and the judge entertains doubts of its validity, or of the right of the creditor to prove it, and is of opinion that such validity or right ought to be investigated by the assignee, he may postpone the proof of the claim until the assignee is chosen. Any person who, after the approval of this act, shall have accepted any preference, having reasonable cause to believe that the same was made or given by the debtor, contrary to any provision of this act, shall not prove the debt or claim on account of which the preference was made or given, nor shall he receive any dividend therefrom until he shall first have surrendered to the assignee all property, money, benefit, or advantage, received by him under such preference. The court shall allow all debts duly proved, and shall cause a list thereof to be made and certified by one of the registers; and any creditor may act at all meetings by his duly constituted attorney the same as though personally present.

SEC. 24. And be it further enacted, That a supposed creditor who takes an appeal to the circuit court from the decision of the district court rejecting his claim, in whole or in part, shall, upon entering his appeal in the circuit court, file in the clerk's office thereof a statement in writing of his claim, setting forth the same substantially, as in a declaration for the same cause of action at law, and the assignee shall plead or answer thereto in like manner, and like proceedings shall thereupon be had in the pleadings, trial, and determination of the cause, as in action at law commenced and prosecuted, in the usual manner, in the courts of the United States, except that no execution shall be awarded against the assignee for the amount of debt found due to the creditor. The final judgment of the court shall be conclusive, and the lists of the debts shall, if necessary, be altered thereto. The party prevailing in the suit shall be entitled to costs against the adverse party, to be taxed and recovered as in suits at law; if recovered against the assignee, they shall be allowed out of the estate. A bill of exchange, promissory note, or other instrument, used in evidence upon the proof of a claim, and left in court, or deposited in the clerk's office, may be delivered by the register or clerk having the custody thereof, to the person who used it, upon his filing a copy thereof, attested by the clerk of the court, who shall indorse upon it the name of the party against whose estate it has been proved, and the date and amount of any dividend declared thereon.

Of Property Perishable and in Dispute.

SEC. 25. And be it further enacted, That when it appears to the satisfaction of the court that the estate of the debtor, or any part thereof, is of a perishable nature, or liable to deteriorate in value, the court may order the same to be sold in such manner as may be deemed most expedient, under the direction of the messenger or assignee, as the case may be, who shall hold the funds received in place of the estate disposed of; and whenever it appears to the satisfaction of the court that the title to any portion of an estate, real or personal, which has come into possession of the assignee, or which is claimed by him, is in dispute, the court may, upon the petition of the assignee, and after such notice to the claimant, his agent or attorney, as the court shall deem reasonable, order it to be sold under the direction of the assignee, who shall hold the funds received in place

of the estate disposed of; and the proceeds of the sale shall be considered the measure of the value of the property in any suit or controversy between the parties in any courts. But this provision shall not prevent the recovery of the property from the possession of the assignee by any proper action commenced at any time before the court orders the sale.

Examination of Bankrupts.

SEC. 26. And be it further enacted, That the court may, on the application of the assignee in bankruptcy, or of any creditor, or without any application, at all times require the bankrupt, upon reasonable notice, to attend and submit to an examination on oath, upon all matters relating to the disposal or condition of his property, to his trade and dealings with others, and his accounts concerning the same, to all debts due to or claimed from him, and to all other matters concerning his property and estate and the due settlement thereof according to law, which examination shall be in writing, and shall be signed by the bankrupt and be filed with the other proceedings; and the court may in like manner require the attendance of any other person as a witness, and if such person shall fail to attend, on being summoned thereto, the court may compel his attendance by warrant directed to the marshal, commanding him to arrest such person and bring him forthwith before the court, or before a register in bankruptcy, for examination as such witness. If the bankrupt is imprisoned, absent, or disabled from attendance, the court may order him to be produced by the jailor, or any officer in whose custody he may be, or may direct the examination to be had, taken and certified, at such time and place, and in such manner as the court may deem proper, and with like effect as if such examination had been in court. The bankrupt shall at all times, until his discharge, be subject to the order of the court, and shall, at the expense of the estate, execute all proper writings and instruments, and do and perform all acts required by the court touching the assigned property or estate, and to enable the assignee to demand, recover, and receive all the property and estate assigned, wherever situated; and for neglect or refusal to obey any order of the court, such bankrupt may be committed and punished as for a contempt of court. If the bankrupt is without the district, and unable to return and personally attend at any of the times, or do any of the acts which may be specified or required pursuant to this section, and if it appears that such absence was not caused by willful default, and if, as soon as may be after the removal of such impediment, he offers to attend and submit to the order of the court in all respects, he shall be permitted so to do, with like effect as if he had not been in default. He shall also be at liberty, from time to time, upon oath to amend and correct his schedule of creditors and property, so that the same shall conform to the facts. For good cause shown, the wife of any bankrupt may be required to attend before the court, to the end that she may be examined as a witness; and if such wife do not attend at the time and place specified in the order, the bankrupt shall not be entitled to a discharge, unless he shall prove to the satisfaction of the court that he was unable to procure the attendance of his wife. No bankrupt shall be liable to arrest during the pendency of the proceedings in bankruptcy in any civil action, unless the same is founded on some debt or claim from which his discharge or bankruptcy would not release him.

Of the Distribution of the Bankrupt's Estate.

SEC. 27. And be it further enacted, That all creditors whose debts are duly proved and allowed shall be entitled to share in the bankrupt's property and estate pro rata, without any priority or preference whatever, except that wages due from him to any operative, or clerk, or house servant, to an amount not ex-

ceeding fifty dollars, for labor performed within six months next preceding the adjudication of bankruptcy, shall be entitled to priority, and shall be first paid in full: Provided, That any debt proved by any person liable as bail, surety, guarantor, or otherwise, for the bankrupt, shall not be paid to the person so proving the same until satisfactory evidence shall be produced of the payment of such debt by such person so liable, and the share to which such debt would be entitled may be paid into court, or otherwise held for the benefit of the party entitled thereto, as the court may direct. At the expiration of three months from the date of the adjudication of bankruptcy in any case, or as much earlier as the court may direct, the court, upon the request of the assignee, shall call a general meeting of the creditors, of which due notice shall be given, and the assignee shall then report, and exhibit to the court and to the creditors just and true accounts of all his receipts and payments, verified by his oath, and he shall produce and file vouchers for all payments for which vouchers shall be required by any rule of the court; he shall also submit the schedule of the bankrupt's creditors and property as amended, duly verified by the bankrupt, and a statement of the whole estate of the bankrupt as then ascertained, of the property recovered and of the property outstanding, specifying the cause of its being outstanding, also what debts or claims are yet undetermined, and stating what sum remains in his hands. At such meeting the majority in value of the creditors present shall determine whether any and what part of the net proceeds of the estate, after deducting and retaining a sum sufficient to provide for all undetermined claims which by reason of the distant residence of the creditor, or for other sufficient reason, have not been proved, and for other expenses and contingencies, shall be divided among the creditors; but unless at least one half in value of the creditors shall attend such meeting, either in person or by attorney, it shall be the duty of the assignee so to determine. In case a dividend is ordered, the register shall, within ten days after such meeting, prepare a list of creditors entitled to dividend, and shall calculate and set opposite to the name of each creditor who has proved his claim the dividend to which he is entitled out of the net proceeds of the estate set apart for dividend, and shall forward by mail to every creditor a statement of the dividend to which he is entitled, and such creditor shall be paid by the assignee in such manner as the court may direct.

Sec. 28. And be it further enacted, That the like proceedings shall be had at the expiration of the next three months, or earlier, if practicable, and a third meeting of creditors shall then be called by the court, and a final dividend then declared, unless any action at law or suit in equity be pending, or unless some other estate or effects of the debtor afterwards come to the hands of the assignee, in which case the assignee shall, as soon as may be, convert such estate or effects into money, and within two months after the same shall be so converted, the same shall be divided in manner aforesaid. Further dividends shall be made in like manner as often as occasion requires; and after the third meeting of creditors, no further meeting shall be called, unless ordered by the court. If at any time there shall be in the hands of the assignee any outstanding debts or other property, due or belonging to the estate, which cannot be collected and received by the assignee without unreasonable or inconvenient delay or expense, the assignee may, under the direction of the court, sell and assign such debts or other property in such manner as the court may order. No dividend already declared shall be disturbed by reason of debts being subsequently proved; but the creditors proving such debts shall be entitled to a dividend equal to those already received by the other creditors before any further payment is made to the latter. Preparatory to the final dividend, the assignee shall submit his account to the court and file the same, and give notice to the creditors of such filing, and shall also give notice that he will apply for a settlement of his account, and for a discharge from all liability as assignee, at a time to be specified in such notice, and at such time the court shall audit and pass the accounts of the assignee, and such assignee shall, if required by the court, be examined as to the truth of such

account, and if found correct, he shall thereby be discharged from all liability as assignee to any creditor of the bankrupt. The court shall thereupon order a dividend of the estate and effects, or of such part thereof as it sees fit, among such of the creditors as have proved their claims, in proportion to the respective amount of their said debts. In addition to all expenses necessarily incurred by him in the execution of his trust, in any case, the assignee shall be entitled to an allowance for his services in such case, on all moneys received and paid out by him thereon, for any sum not exceeding one thousand dollars, five per centum thereon; for any larger sum, not exceeding five thousand dollars, two and a half per centum on the excess over one thousand dollars; and for any larger sum, one per centum on the excess over five thousand dollars; and if, at any time, there shall not be in his hands a sufficient amount of money to defray the necessary expenses required for the further execution of his trust, he shall not be obliged to proceed therein until the necessary funds are advanced or satisfactorily secured to him. If, by accident, mistake or other cause, without fault of the assignee, either or both of the said second and third meetings should not be held within the times limited, the court may, upon motion of an interested party, order such meetings, with like effect as to the validity of the proceedings as if the meetings had been duly held. In the order for a dividend, under this section, the following claims shall be entitled to priority or preference, and to be first paid in full in the following order:

First—The fees, costs, and expenses of suits, and the several proceedings in bankruptcy under this act, and for the custody of property, as here provided.

Second—All debts due to the United States, and all taxes and assessments under the laws thereof.

Third—All debts due to the State in which the proceedings in bankruptcy are pending, and all taxes and assessments made under the laws of such State.

Fourth—Wages due to any operative, clerk, or house servant, to an amount not exceeding fifty dollars, for labor performed within six months next preceding the first publication of the notice of proceedings in bankruptcy.

Fifth—All debts due to any persons who, by the laws of the United States, are or may be entitled to a priority or preference, in like manner as if this act had not been passed: Always provided, That nothing contained in this act shall interfere with the assessment and collection of taxes by the authority of the United States or any State.

Of the Bankrupt's Discharge and its Effect.

SEC. 29. And be it further enacted, That at any time after the expiration of six months from the adjudication of bankruptcy, or if no debts have been proved against the bankrupt, or if no assets have come to the hands of the assignee, at any time after the expiration of sixty days, and within one year from the adjudication of bankruptcy, the bankrupt may apply to the court for a discharge from his debts, and the court shall thereupon order notice to be given by mail to all creditors who have proved their debts, and by publication at least once a week in such newspapers as the court shall designate, due regard being had to the general circulation of the same in the district, or in that portion of the district in which the bankrupt and his creditors shall reside, to appear on a day appointed for that purpose, and show cause why a discharge should not be granted to the bankrupt. No discharge shall be granted, or, if granted, be valid, if the bankrupt has wilfully sworn falsely in his affidavit annexed to his petition, schedule, or inventory, or upon any examination in the course of the proceedings in bankruptcy, in relation to any material fact concerning his estate or his debts, or to any other material fact; or if he has concealed any part of his estate or effects, or any books or writings relating thereto, or if he has been guilty of any fraud or negligence in the care, custody, or delivery to the assignee of the property belonging to him at the time of the presentation of his petition and inventory, excepting such property as he is permitted to retain under

the provisions of this act, or if he has caused, permitted, or suffered any loss, waste or destruction thereof; or if, within four months before the commencement of such proceedings, he has procured his lands, goods, moneys or chattels to be attached, sequestered or seized on execution; or if, since the passage of this act, he has destroyed, mutilated, altered or falsified any of his books, documents, papers, writings or securities, or has made or been privy to the making of any false or fraudulent entry in any book of account or other document, with intent to defraud his creditors; or has removed or caused to be removed any part of his property from his district, with intent to defraud his creditors; or if he has given any fraudulent preference contrary to the provisions of this act, or made any fraudulent payment, gift, transfer, conveyance or assignment of any part of his property, or has lost any part thereof in gaming, or has admitted a false or fictitious debt against his estate; or if, having knowledge that any person has proved such false or fraudulent debt, he has not disclosed the same to his assignee within one month after such knowledge; or if, being a merchant or tradesman, he has not, subsequently to the passage of this act, kept proper books of account; or if he, or any person in his behalf, has procured the assent of any creditor to the discharge, or influenced the action of any creditor at any stage of the proceedings, by any pecuniary consideration or obligation; or if he has, in contemplation of becoming bankrupt, made any pledge, payment, transfer, assignment or conveyance of any part of his property, directly or indirectly, absolutely or conditionally, for the purpose of preferring any creditor or person having a claim against him, or who is or may be under liability for him, or for the purpose of preventing the property from coming into the hands of the assignee, or of being distributed under this act in satisfaction of his debts; or if he has been convicted of any misdemeanor under this act, or has been guilty of any fraud whatever contrary to the true intent of this act; and before any discharge is granted, the bankrupt shall take and subscribe an oath to the effect that he has not done, suffered, or been privy to any act, matter, or thing specified in this act as a ground for withholding such discharge, or as invalidating such discharge if granted.

SEC. 30. And be it further enacted, That no person who shall have been discharged under this act, and shall afterwards become bankrupt, on his own application, shall be again entitled to a discharge whose estate is insufficient to pay seventy per centum of the debts proved against it, unless the assent in writing of three-fourths in value of his creditors who have proved their claims is filed at or before the time of application for discharge; but a bankrupt who shall prove to the satisfaction of the court that he has paid all the debts owing by him at the time of any previous bankruptcy, or who has been voluntarily released therefrom by his creditors, shall be entitled to a discharge in the same manner and with the same effect as if he had not previously been bankrupt.

SEC. 31. And be it further enacted, That any creditor opposing the discharge of any bankrupt may file a specification in writing of the grounds of his opposition, and the court may, in its discretion, order any question of fact so presented to be tried at a stated session of the district court.

SEC. 32. And be it further enacted, That if it shall appear to the court that the bankrupt has in all things conformed to his duty under this act, and that he is entitled, under the provisions thereof, to receive a discharge, the court shall grant him a discharge from all his debts except as hereinafter provided, and shall give him a certificate thereof under the seal of the court in substance as follows:

District Court of the United States. District of . Whereas has been duly adjudged a bankrupt under the act of Congress establishing a uniform system of bankruptcy throughout the United States, and appears to have conformed to all the requirements of law in that behalf, it is therefore ordered by the court that said be forever discharged from all debts and claims which by said act are made provable against his estate, and which existed on the day of , on which day the petition for adjudication was filed by (or against him; excepting such debts, if any, as are by said act excepted from

the operation of a discharge in bankruptcy. Given under my hand and the seal of the court at _____ in the said district, this _____ day of _____, A.D. _____ (Seal) _____, Judge.

SEC. 33. And be it further enacted. That no debt created by the fraud or embezzlement of the bankrupt, or by his defalcation as a public officer, or while acting in any fiduciary character, shall be discharged under this act; but the debt may be proved, and the dividend thereon shall be a payment on account of said debt; and no discharge granted under this act shall release, discharge, or affect any person liable for the same debt for or with the bankrupt, either as partner, joint contractor, indorser, surety, or otherwise. [And in all proceedings in bankruptcy commenced after one year from the time this act shall go into operation, no discharge shall be granted to a debtor whose assets do not pay fifty per centum of the claims against his estate, unless the assent in writing of a majority in number and value of his creditors who have proved their claims is filed in the case at or before the time of application for discharge.]

SEC. 34. And be it further enacted, That a discharge duly granted under this act, shall, with the exceptions aforesaid, release the bankrupt from all debts, claims, liabilities, and demands which were or might have been proved against his estate in bankruptcy, and may be pleaded, by a simple averment that on the day of its date such discharge was granted to him, setting forth the same in *hæc verba*, as a full and complete bar to all suits brought on any such debts, claims, liabilities or demands, and the certificate shall be conclusive evidence in favor of such bankrupt of the fact and the regularity of such discharge: Always provided, That any creditor or creditors of said bankrupt, whose debt was proved or provable against the estate in bankruptcy, who shall see fit to contest the validity of said discharge on the ground that it was fraudulently obtained, may, at any time within [two years] after the date thereof, apply to the court which granted it to set aside and annul the same. Said application shall be in writing, shall specify which, in particular, of the several acts mentioned in section twenty-nine it is intended to give evidence of against the bankrupt, setting forth the grounds of avoidance, and no evidence shall be admitted as to any other of the said acts; but said application shall be subject to amendment at the discretion of the court. The court shall cause reasonable notice of said application to be given to said bankrupt, and order him to appear and answer the same, within such time as to the court shall seem fit and proper. If, upon the hearing of said parties, the court shall find that the fraudulent acts, or any of them, set forth as aforesaid by said creditor or creditors against the bankrupt, are proved, and that said creditor or creditors had no knowledge of the same until after the granting of said discharge, judgment shall be given in favor of said creditor or creditors, and the discharge of said bankrupt shall be set aside and annulled. But if said court shall find that said fraudulent acts, and all of them, set forth as aforesaid, are not proved, or that they were known to said creditor or creditors before the granting of said discharge, then judgment shall be rendered in favor of the bankrupt, and the validity of his discharge shall not be affected by said proceedings.

Preferences and Fraudulent Conveyances declared Void.

SEC. 35. And be it further enacted, That if any person, being insolvent, or in contemplation of insolvency, within four months before the filing of the petition by or against him, with a view to give a preference to any creditor or person having a claim against him, or who is under any liability for him, procures any part of his property to be attached, sequestered, or seized on execution, or makes any payment, pledge, assignment, transfer, or conveyance of any part of his property, either directly or indirectly, absolutely or conditionally, the person receiving such payment, pledge, assignment, transfer, or conveyance, or to be benefited thereby, or by such attachment, having reasonable cause to believe such person is insolvent, and that such attachment, payment, pledge, assignment, or convey-

ance, is made in fraud of the provisions of this act, the same shall be void, and the assignee may recover the property, or the value of it, from the person so receiving it, or so to be benefited; and if any person being insolvent, or in contemplation of insolvency or bankruptcy, within six months before the filing of the petition by or against him, makes any payment, sale, assignment, transfer, conveyance, or other disposition of any part of his property to any person who then has reasonable cause to believe him to be insolvent, or to be acting in contemplation of insolvency, and that such payment, sale, assignment, transfer, or other conveyance, is made with a view to prevent his property from coming to his assignee in bankruptcy, or to prevent the same from being distributed under this act, or to defeat the object of, or in any way impair, hinder, impede, or delay the operation and effect of, or to evade any of the provisions of this act, the sale, assignment, transfer, or conveyance shall be void, and the assignee may recover the property, or the value thereof, as assets of the bankrupt. And if such sale, assignment, transfer, or conveyance is not made in the usual and ordinary course of business of the debtor, the fact shall be *prima facie* evidence of fraud. Any contract, covenant, or security made or given by a bankrupt or other person with, or in trust for, any creditor, for securing the payment of any money as a consideration for or with intent to induce the creditor to forbear opposing the application for discharge of the bankrupt, shall be void; and if any creditor shall obtain any sum of money or other goods, chattels, or security from any person as an inducement for forbearing to oppose, or consenting to such application for discharge, every creditor so offending shall forfeit all right to any share or dividend in the estate of the bankrupt, and shall also forfeit double the value or amount of such money, goods, chattels, or security so obtained, to be recovered by the assignee for the benefit of the estate.

Bankruptcy of Partnerships and of Corporations.

SEC. 36. And be it further enacted, That where two or more persons who are partners in trade shall be adjudged bankrupt, either on the petition of such partners, or any of them, or on the petition of any creditor of the partners, a warrant shall issue in the manner provided by this act, upon which all the joint stock and property of the copartnership, and also all the separate estate of each of the partners, shall be taken, excepting such parts thereof as are hereinbefore excepted; and all the creditors of the company, and the separate creditors of each partner, shall be allowed to prove their respective debts; and the assignee shall be chosen by the creditors of the company, and shall also keep separate accounts of the joint stock or property of the copartnership, and of the separate estate of each member thereof; and after deducting out of the whole amount received by such assignee the whole of the expenses and disbursements, the net proceeds of the joint stock shall be appropriated to pay the creditors of the copartnership, and the net proceeds of the separate estate of each partner shall be appropriated to pay his separate creditors; and if there shall be any balance of the separate estate of any partner, after the payment of his separate debts, such balance shall be added to the joint stock for the payment of the joint creditors; and if there shall be any balance of the joint stock after payment of the joint debts, such balance shall be divided and appropriated to and among the separate estates of the several partners, according to their respective right and interest therein, and as it would have been if the partnership had been dissolved without any bankruptcy; and the sum so appropriated to the separate estate of each partner shall be applied to the payment of his separate debts; and the certificate of discharge shall be granted or refused to each partner as the same would or ought to be if the proceedings had been against him alone under this act; and in all other respects the proceedings against partners shall be conducted in the like manner as if they had been commenced and prosecuted against one person alone. If such copartners reside in different districts, that court in which the petition is first filed shall retain exclusive jurisdiction over the case.

SEC. 37. And be it further enacted, That the provisions of this act shall apply to all moneyed, business, or commercial corporations and joint stock companies, and that upon the petition of any officer of any such corporation or company duly authorized by a vote of a majority of the corporators present at any legal meeting called for the purpose, or upon the petition of any creditor or creditors of such corporation or company, made and presented in the manner hereinafter provided in respect to debtors, the like proceedings shall be had and taken as are hereinafter provided in the case of debtors; and all the provisions of this act which apply to the debtor, or set forth his duties in regard to furnishing schedules and inventories, executing papers, submitting to examinations, disclosing, making over, secreting, concealing, conveying, assigning, or paying away his money or property, shall in like manner, and with like force, effect, and penalties, apply to each and every officer of such corporation or company in relation to the same matters concerning the corporation or company, and the money and property thereof. All payments, conveyances, and assignments declared fraudulent and void by this act when made by a debtor, shall in like manner, and to the like extent, and with like remedies, be fraudulent and void when made by a corporation or company. No allowance or discharge shall be granted to any corporation or joint stock company, or to any person or officer or member thereof: Provided, That whenever any corporation by proceedings under this act shall be declared bankrupt, all its property and assets shall be distributed to the creditors of such corporation, in the manner provided in this act in respect to natural persons.

Of Dates and Depositions.

SEC. 38. And be it further enacted, That the filing of a petition for adjudication in bankruptcy, either by a debtor in his own behalf, or by any creditor against a debtor, upon which an order may be issued by the court, or by a register in the manner provided in section four, shall be deemed and taken to be the commencement of proceedings in bankruptcy under this act; the proceedings in all cases in bankruptcy shall be deemed matters of record, but the same shall not be required to be recorded at large, but shall be carefully filed, kept, and numbered in the office of the clerk of the court, and a docket only, or short memorandum thereof, kept in books to be provided for that purpose, which shall be open to public inspection. Copies of such records duly certified under the seal of the court, shall in all cases be prima facie evidence of the facts therein stated. Evidence or examinations in any of the proceedings under this act may be taken before the court, or a register in bankruptcy, viva voce, or in writing, before a commissioner of the circuit court, or by affidavit, or on commission, and the court may direct a reference to a register in bankruptcy, or other suitable person, to take and certify such examination, and may compel the attendance of witnesses, the production of books and papers, and the giving of testimony in the same manner as in suits in equity in the circuit court.

Involuntary Bankruptcy.

SEC. 39. And be it further enacted, That any person residing and owing debts as aforesaid, who, after the passage of this act, shall depart from the State, district, or Territory, of which he is an inhabitant, with intent to defraud his creditors, or, being absent, shall, with such intent, remain absent; or shall conceal himself to avoid the service of legal process in any action for the recovery of a debt or demand provable under this act; or shall conceal and remove any of his property to avoid its being attached, taken, or sequestered on legal process; or shall make any assignment, gift, sale, conveyance, or transfer of his estate, property, rights, or credits, either within the United States or elsewhere, with intent to delay, defraud, or hinder his creditors; or who has been arrested and held in custody under or by virtue of mesne process of execution, issued out of

any court of any State, district, or Territory, within which such debtor resides or has property, founded upon a demand in its nature provable against a bankrupt's estate under this act, and for a sum exceeding one hundred dollars, and such process is remaining in force and not discharged by payment, or in any other manner provided by the law of such State, district, or Territory applicable thereto, for a period of seven days; or has been actually imprisoned for more than seven days in a civil action, founded on contract, for the sum of one hundred dollars or upwards; or who being bankrupt or insolvent, or in contemplation of bankruptcy or insolvency, shall make any payment, gift, grant, sale, conveyance, or transfer of money, or other property; estate, rights, or credits, or give any warrant to confess judgment, or procure or suffer his property to be taken on legal process, with intent to give a preference to one or more of his creditors, or to any person or persons who are or may be liable for him as indorsers, bail, sureties, or otherwise, or with the intent, by such disposition of his property, to defeat or delay the operation of this act; or who, being a banker, merchant, or trader, has fraudulently stopped or suspended and not resumed payment of his commercial paper, within a period of fourteen days, shall be deemed to have committed an act of bankruptcy, and, subject to the conditions hereinafter prescribed, shall be adjudged a bankrupt, on the petition of one or more of his creditors, the aggregate of whose debts provable under this act amount to at least two hundred and fifty dollars, provided such petition is brought within six months after the act of bankruptcy shall have been committed. And if such person shall be adjudged a bankrupt, the assignee may recover back the money or other property so paid, conveyed, sold, assigned, or transferred contrary to this act, provided the person receiving such payment or conveyance had reasonable cause to believe that a fraud on this act was intended, or that the debtor was insolvent, and such creditor shall not be allowed to prove his debt in bankruptcy.

SEC. 40. And be it further enacted, That upon the filing of the petition authorized by the next preceding section, if it shall appear that sufficient grounds exist therefor, the court shall direct that the entry of any order requiring the debtor to appear and show cause, at a court of bankruptcy to be holden at a time to be specified in the order, not less than five days from the service thereof, why the prayer of the petition should not be granted; and may also, by its injunction, restrain the debtor, and any other person, in the meantime, from making any transfer or disposition of any of the debtor's property not excepted by this act from the operation thereof and from any interference therewith; and if it shall appear that there is probable cause for believing that the debtor is about to leave the district, or to remove or conceal his goods and chattels or his evidence of property, or make any fraudulent conveyance or disposition thereof, the court may issue a warrant to the marshal of the district, commanding him to arrest the alleged bankrupt and him safely keep, unless he shall give bail to the satisfaction of the court for his appearance from time to time, as required by the court, until the decision of the court upon the petition or the further order of the court, and forthwith to take possession provisionally of all the property and effects of the debtor, and safely keep the same until the further order of the court. A copy of the petition and of such order to show cause shall be served on such debtor by delivering the same to him personally, or leaving the same at his last or usual place of abode; or, if such debtor cannot be found, or his place of residence ascertained, service shall be made by publication, in such manner as the judge may direct. No further proceedings, unless the debtor appear and consent thereto, shall be had until proof shall have been given, to the satisfaction of the court, of such service or publication; and if such proof be not given on the return day of such order, the proceedings shall be adjourned and an order made that the notice be forthwith so served or published.

SEC. 41. And be it further enacted, That on such return day or adjourned day, if the notice has been duly served or published, or shall be waived by the appearance and consent of the debtor, and may adjourn the proceedings from time to time, on good cause shown, and shall, if the debtor on the same day so

demand in writing, order a trial by jury at the first term of the court at which a jury shall be in attendance, to ascertain the facts of such alleged bankruptcy; and if, upon such hearing or trial, the debtor proves to the satisfaction of the court or the jury, as the case may be, that the facts set forth in the petition are not true, or that the debtor has paid and satisfied all liens upon his property, in case the existence of such liens were the sole ground of the proceeding, the proceedings shall be dismissed and the respondent shall recover his costs.

SEC. 42. And be it further enacted, That if the facts set forth in the petition are found to be true, or if default be made by the debtor to appear pursuant to the order, upon due proof of service thereof being made, the court shall adjudge the debtor to be a bankrupt, and, as such, subject to the provisions of this act, and shall forthwith issue a warrant to take possession of the estate of the debtor. The warrant shall be directed, and the property of the debtor shall be taken thereon, and shall be assigned and distributed in the same manner and with similar proceedings to those hereinbefore provided for the taking possession, assignment, and distribution of the property of the debtor upon his own petition. The order of adjudication of bankruptcy shall require the bankrupt forthwith, or within such number of days, not exceeding five after the date of the order of notice thereof, as shall by the order be prescribed, to make and deliver, or transmit by mail, postpaid, to the messenger, a schedule of the creditors and an inventory of his estate in the form and verified in the manner required of a petitioning debtor by section thirteen. If the debtor has failed to appear in person, or by attorney, a certified copy of the adjudication shall be forthwith served on him by delivery or publication in the manner hereinbefore provided for the service of the order to show cause; and if the bankruptcy is absent or cannot be found, such schedule and inventory shall be prepared by the messenger and the assignee from the best information they can obtain. If the petitioning creditor shall not appear and proceed on the return day, or adjourned day, the court may, upon the petition of any other creditor, to the required amount, proceed to adjudicate on such petition, without requiring a new service or publication of notice to the debtor.

Of Superseding the Bankrupt Proceedings by Arrangement.

SEC. 43. And be it further enacted, That if at the first meeting of creditors, or at any meeting of creditors to be specially called for that purpose, and of which previous notice shall have been given for such length of time and in such manner as the court may direct, three-fourths in value of the creditors whose claims have been proved shall determine and resolve that it is for the interest of the general body of the creditors that the estate of the bankrupt should be wound up and settled, and distribution made among the creditors by trustees, under the inspection and direction of a committee of the creditors, it shall be lawful for the creditors to certify and report such resolution to the court, and to nominate one or more trustees to take and hold and distribute the estate, under the direction of such committee. If it shall appear to the court, after hearing the bankrupt and such creditors as may desire to be heard, that the resolution was duly passed and that the interests of the creditors will be promoted thereby, it shall confirm the same; and upon the execution and filing, by or on behalf of three-fourths in value of all the creditors whose claims have been proved, of a consent that the estate of the bankrupt be wound up and settled by said trustees, according to the terms of such resolution, the bankrupt, or his assignee in bankruptcy, if appointed, as the case may be, shall, under the direction of the court, and under oath, convey, transfer, and deliver all the property and estate of the bankrupt to the said trustee or trustees, who shall, upon such conveyance and transfer, have and hold the same in the same manner, and with the same powers and rights, in all respects, as the bankrupt would have had or held the same if no proceedings in bankruptcy had been taken; or as the assignee in bankruptcy would have done had such resolution not been passed: and such consent and the proceedings there-

under shall be as binding in all respects on any creditor whose debt is provable, who has not signed the same, as if he had signed it, and on any creditor whose debt, if provable, is not proved, as if he had proved it: and the court, by order, shall direct all acts and things needful to be done to carry into effect such resolution of the creditors; and the said trustees shall proceed to wind up and settle the estate under the direction and inspection of such committee of the creditors, for the equal benefit of all such creditors, and the winding up and settlement of any estate under the provisions of this section shall be deemed to be proceedings in bankruptcy under this act; and the said trustees shall have all the rights and powers of assignees in bankruptcy. The court, on the application of such trustees, shall have power to summon and examine, on oath or otherwise, the bankrupt, and any creditor, and any person indebted to the estate, or known or suspected of having any of the estate in his possession, or any other person whose examination may be material or necessary to aid the trustees in the execution of their trust, and to compel the attendance of such persons and the production of books and papers in the same manner as in other proceedings in bankruptcy under this act; and the bankrupt shall have the like right to apply for and obtain a discharge after the passage of such resolution and the appointment of such trustees as if such resolution had not been passed, and as if all the proceedings had continued in the manner provided in the preceding sections of this act. If the resolution shall not be duly reported, or the consent of the creditors shall not be duly filed, or if, upon its filing, the court shall not think fit to approve thereof, the bankruptcy shall proceed as though no resolution had been passed, and the court may make all necessary orders for resuming the proceeding. And the period of time which shall have elapsed between the date of the resolution and the date of the order for resuming the proceedings shall not be reckoned in calculating periods of time prescribed by this act.

Penalties against Bankrupts.

SEC. 44. And be it further enacted, That from and after the passage of this act, if any debtor or bankrupt shall, after the commencement of proceedings in bankruptcy, secrete or conceal any property belonging to his estate, or part with, conceal, or destroy, alter, mutilate, or falsify, or cause to be concealed, destroyed, altered, mutilated, or falsified, any book, deed, document, or writing relating thereto, or remove, or cause to be removed, the same, or any part thereof, out of the district, or otherwise dispose of any part thereof, with intent to prevent it from coming into the possession of the assignee in bankruptcy, or to hinder, impede, or delay either of them in recovering or receiving the same, or make any payment, gift, sale, assignment, transfer, or conveyance of any property belonging to his estate with the like intent, or spends any part thereof in gaming; or shall, with intent to defraud, wilfully and fraudulently conceal from his assignee, or omit from his schedule any property or effects whatsoever; or if, in case of any person having, to his knowledge or belief, proved a false or fictitious debt against his estate, he shall fail to disclose to his assignee within one month after coming to the knowledge or belief thereof; or shall attempt to account for any of his property by fictitious losses or expenses, or shall, within three months before the commencement of proceedings in bankruptcy, under the false color and pretence of carrying on business and dealings in the ordinary course of trade, obtain on credit from any person any goods or chattels with intent to defraud, or shall, with intent to defraud, or shall, with intent to defraud his creditors, within three months next before the commencement of the proceedings in bankruptcy, pawn, pledge, or dispose of, otherwise than by bona fide transactions in the ordinary way of his trade, any of his goods or chattels which have been obtained on credit and remain unpaid for, he shall be deemed guilty of a misdemeanor, and upon conviction thereof in any court of the United

States, shall be punished by imprisonment, with or without hard labor, for a term not exceeding three years.

Penalties against Officers.

SEC. 45. And be it further enacted, That if any judge, register, clerk, marshal, messenger, assignee, or any other officer of the several courts of bankruptcy shall, for anything done or pretended to be done under this act, or under color of doing anything thereunder, wilfully demand or take, or appoint or allow any person whatever to take for him or on his account, or for or on account of any other person or in trust for him or any other person, any fee, emolument, gratuity, sum of money, or anything of value whatever, other than is allowed by this act, or which shall be allowed under the authority thereof, such person, when convicted thereof, shall forfeit and pay the sum of not less than three hundred dollars and not exceeding five hundred dollars, and be imprisoned not exceeding three years.

SEC. 46. And be it further enacted, That if any person shall forge the signature of a judge, register, or other officer of the court, or shall forge or counterfeit the seal of the courts, or knowingly concur in using any such forged or counterfeit, signature or seal, for the purpose of authenticating any proceeding or document, or shall tender in evidence any such proceeding or document with a false or counterfeit signature of any such judge, register, or other officer, or a false or counterfeit seal of the court, subscribed or attached thereto, knowing such signature or seal to be false or counterfeit, any such person shall be guilty of felony, and upon conviction thereof shall be liable to a fine of not less than five hundred dollars, and not more than five thousand dollars, and to be imprisoned not exceeding five years, at the discretion of the court.

Fees and Costs.

SEC. 47. And be it further enacted, That in each case there shall be allowed and paid, in addition to the fees of the clerk of the court as now established by law, or as may be established by general order, under the provisions of this act, for fees in bankruptcy, the following fees, which shall be applied to the payment for the services of the registers :

For issuing every warrant, two dollars.

For each day in which a meeting is held, three dollars.

For each order for a dividend, three dollars.

For every order substituting an arrangement by trust-deed for bankruptcy, two dollars.

For every bond with sureties, two dollars.

For every application for any meeting in any matter under this act, one dollar.

For every day's service while actually employed under a special order of the court, a sum not exceeding five dollars, to be allowed by the court.

For taking depositions, the fees now allowed by law.

For every discharge when there is no opposition, two dollars.

Such fees shall have priority of payment over all other claims out of the estate, and before a warrant issues the petitioner shall deposit with the senior register of the court, or with the clerk, to be delivered to the register, fifty dollars as security for the payment thereof ; and if there are not sufficient assets for the payment of the fees, the person upon whose petition the warrant is issued shall pay the same, and the court may issue an execution against him to compel payment to the register.

Before any dividend is ordered, the assignee shall pay out of the estate to the messenger the following fees and no more :

First, For service of warrant, two dollars.

Second, For all necessary travel, at the rate of five cents a mile, each way.

Third, For each written note to creditor named in the schedule, ten cents.

Fourth, for custody of property, publication of notices, and other services, his actual and necessary expenses upon returning the same in specific items, and making oath that they have been actually incurred and paid by him, and are just and reasonable, the same to be taxed or adjusted by the court, and the oath of the messenger shall not be conclusive as to the necessity of said expenses.

For cause shown, and upon hearing thereon, such further allowance may be made as the court, in its discretion, may determine.

The enumeration of the foregoing fees shall not prevent the judges, who shall frame general rules and orders in accordance with the provisions of section ten, from prescribing a tariff of fees for all other services of the officers of courts of bankruptcy, or from reducing the fees prescribed in this section in classes of cases to be named in their rules and orders.

Of Meaning of Terms and Computation of Time.

SEC. 48. And be it further enacted, that the word "assignee" and the word "creditor" shall include the plural also; and the word "messenger" shall include his assistant or assistants, except in the provision for the fees of that officer. The word "marshal" shall include the marshal's deputies; the word "person" shall also include "corporation," and the word "oath" shall include affirmation." And in all cases in which any particular number of days is prescribed by this act, or shall be mentioned in any rule or order of court of general order which shall at any time be made under this act, for the doing of any act, or for any other purpose, the same shall be reckoned, in the absence of any expression to the contrary, exclusive of the first and inclusive of the last day, unless the last day shall fall on a Sunday, Christmas day, or on any day appointed by the President of the United States, as a day of public fast or thanksgiving, or on the Fourth of July, in which case the time shall be reckoned exclusive of that day also.

SEC. 49. And be it further enacted, That all the jurisdiction, power, and authority conferred upon and vested in in the district court of the United States by this act in cases in bankruptcy are hereby conferred upon and vested in the Supreme Court of the District of Columbia, and in and upon the supreme courts of the several Territories of the United States, where the bankrupt resides in the said District of Columbia or in either of the said Territories. And in those judicial districts which are not within any organized circuit of the United States, the power and jurisdiction of a circuit court in bankruptcy may be exercised by the district judge.

SEC. 50. And be it further enacted, That this act shall commence and take effect as to the appointment of the officers created hereby, and the promulgation of rules and general orders, from and after the date of its approval: Provided, That no petition or other proceeding under this act shall be filed, received, or commenced before the first day of June, Anno Domini eighteen hundred and sixty-seven.

Approved March 2d, 1867.

TARIFF LAWS PASSED BY THE THIRTY-NINTH CONGRESS.

TREASURY DEPARTMENT,
March 11, 1867. }

The following Acts of Congress are published for the information and guidance of Customs officers.

H. McCULLOCH,
Secretary of the Treasury.

JOINT RESOLUTION to amend section five of an Act entitled "An act to increase duties on imports, and for other purposes," approved June thirtieth, one thousand eight hundred and sixty-four.

Be it resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the paragraph of section five of an act entitled "An act to increase duties on imports, and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, as follows, to wit: "on lastings, mohair cloth, silk, twist, wool or other manufactured cloth woven or made in patterns of such size, shape, and form, or cut in such manner as to be fit for shoes, slippers, bootees, gaiters, and buttons exclusively, not combined with India rubber, ten per cent. *ad valorem*," be, and the same is hereby repealed.

SEC. 2. And be it further resolved, That from and after the passage of this resolution, machinery for the manufacture of beet sugar, and imported for that purpose solely, shall be exempted from duty.

Approved March 2, 1867.

AN ACT to provide increased revenue from imported wool, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passage of this act, in lieu of the duties now imposed by law on the articles mentioned and embraced in this section, there shall be levied, collected, and paid on all unmanufactured wool, hair of the alpaca, goat, and other like animals, imported from foreign countries, the duties hereinafter provided. All wools, hair of the alpaca, goat, and other like animals, as aforesaid, shall be divided, for the purpose of fixing the duties to be charged thereon, into three classes, to wit:

CLASS 1—CLOTHING WOOL.

That is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote; down clothing wools, and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Ayres, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes two and three.

CLASS 2—COMBING WOOLS.

That is to say, Leicester, Cotswold, Lincolnshire, down combing wools, or other like combing wools of English blood, and usually known by the terms herein used; and also all hair of the alpaca, goat, and other like animals.

CLASS 3—CARPET WOOLS, AND OTHER SIMILAR WOOLS.

Such as Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and including all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

For the purpose of carrying into effect the classification herein provided, a sufficient number of distinctive samples of the various kinds of wool or hair embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury, and duly verified by him (the standard samples being retained in the Treasury Department), shall be deposited in the custom houses and elsewhere, as he may direct, which samples shall be used by the proper officers of the customs to determine the classes above specified, to which all imported wools belong. And upon wools of the first class, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be thirty-two cents or less per pound, the duty shall be ten cents per pound, and, in addition thereto, eleven per centum ad valorem; upon wools of the same class, the value thereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed thirty-two cents per pound, the duty shall be twelve cents per pound, and in addition thereto, ten per centum ad valorem. Upon wools of the second class, and upon all hair of the alpaca, goat, and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be thirty-two cents or less per pound, the duty shall be ten cents per pound, and in addition thereto, eleven per centum ad valorem; upon wools of the same class, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed thirty-two cents per pound, the duty shall be twelve cents per pound, and in addition thereto, ten per centum ad valorem. Upon wools of the third class, the value whereof at the last port or place whence exported into the United States, excluding charges in such port, shall be twelve cents or less per pound, the duty shall be three cents per pound; upon wools of the same class, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed twelve cents per pound, the duty shall be six cents per pound: Provided, That any wool of the sheep, or hair of the alpaca, goat, and other like animals, shall be imported in any other than the ordinary condition as now and heretofore practiced, or which shall be changed in its character or condition, for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt, or any other foreign substance, shall be subject to pay twice the amount of duty to which it would be otherwise subjected, anything in this act to the contrary notwithstanding: Provided, further, That when wool of different qualities is imported in the same bale, bag or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected, at the average aggregate value of the contents of the bale, bag or package: and when bales of different qualities are embraced in the same invoice at the same price whereby the average price shall be reduced more than ten per centum below the value of the bale of the best quality, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value: And provided further, That the duty upon wool of the first class which shall be imported washed shall be twice the amount of duty to which it would be subjected if imported unwashed, and that the duty upon wool of all classes which shall be imported scoured shall be three times the amount of the duty to which it would be subjected if imported unwashed. On sheep skins and Angora goat skins, raw or unmanufactured, imported with the wool on, washed or unwashed, the duty shall be thirty per centum ad valorem; and on woolen rags, shoddy, mungo, waste, and flocks, the duty shall be twelve cents per pound.

SEC. 2. And be it further enacted, That in lieu of the duties heretofore imposed by law on the articles hereinafter mentioned, and on such as may now be exempt from duty, there shall be levied, collected, and paid on the goods, wares and merchandise herein enumerated and provided for, imported from foreign countries, the following duties and rates of duty, that is to say:

On woolen cloths, woolen shawls, and all manufactures of wool of every de-

scription made wholly or in part of wool, not herein otherwise provided for, fifty cents per pound, and, in addition thereto, thirty-five per centum ad valorem.

On flannels, blankets, hats of wool, knit goods, balmorals, woolen and worsted yarns, and all manufactures of every description, composed wholly or in part of worsted, the hair of the alpaca, goat, or other like animals, except such as are composed in part of wool, not otherwise provided for, valued at not exceeding forty cents per pound, twenty cents per pound; valued at above forty cents per pound and not exceeding sixty cents per pound, thirty cents per pound; valued at above sixty cents per pound and not exceeding eighty cents per pound, forty cents per pound; valued at above eighty cents per pound, fifty cents per pound; and, in addition thereto, upon all the above named articles, thirty-five per centum ad valorem.

On endless belts or felts for paper or printing machines, twenty cents per pound and thirty five per centum ad valorem.

On bunting, twenty cents per square yard, and, in addition thereto, thirty-five per centum ad valorem.

On women's and children's dress goods and real or imitation Italian cloths, composed wholly or in part of wool, worsted, the hair of the alpaca, goat or other like animals, valued at not exceeding twenty cents per square yard, six cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; valued at above twenty cents the square yard, eight cents per square yard, and, in addition thereto, forty per centum ad valorem: Provided, That on all goods weighing four ounces and over per square yard, the duty shall be fifty cents per pound, and, in addition thereto, thirty-five per centum ad valorem.

On clothing ready made, and wearing apparel of every description, and balmoral skirts and skirting; and goods of similar description, or used for like purposes, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other like animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, except knit goods, fifty cents per pound, and, in addition thereto, forty per centum ad valorem.

On webbing, beltings, bindings, braids, galloons, fringes, gimps, cords, cords and tassels, dress-trimmings, head-nets, buttons or barrel buttons, or buttons of other forms for tassels, or ornaments, wrought by hand or braided by machinery, made of wool, worsted, or mohair, or of which wool, worsted or mohair is a component material, unmixed with silk, fifty cents per pound, and, in addition thereto, fifty per centum ad valorem.

On Aubusson and Axminster carpets, and carpets woven whole for rooms, fifty per centum ad valorem; on Saxony, Wilton and Tournay velvet carpets, wrought by the Jacquard machine, seventy cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on Brussels carpets wrought by the Jacquard machine, forty-four cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on patent velvet and tapestry velvet carpets, printed on the warp or otherwise, forty cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on tapestry Brussels carpets printed on the warp or otherwise, twenty-eight cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on treble ingrain, three-ply, and worsted chain Venetian carpets, seventeen cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on yarn Venetian and two-ply ingrain carpets, twelve cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on druggets and bockings, printed, colored, or otherwise, twenty-five cents per square yard, and, in addition thereto, thirty-five per centum ad valorem; on hemp or jute carpeting, eight cents per square yard; on carpets and carpetings of wool, flax, or cotton, or parts of either, or other material not otherwise herein specified, forty per centum ad valorem: Provided, That mats, rugs, screens, covers, hassocks, bedsides, and other portions of carpets or carpetings shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description, and that the duty on all other mats (not exclusively

of vegetable material) screens, hassocks, and rugs, shall be forty-five per centum ad valorem.

On oil cloths for floors, stamped, painted, or printed, valued at fifty cents or less per square yard, thirty-five per centum ad valorem; valued at over fifty cents per square yard, and on all other oil cloth (except silk oil cloth,) and on waterproof cloth, not otherwise provided for, forty-five per centum ad valorem; on oil silk cloth, sixty per centum ad valorem.

Approved March 2, 1867.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of March the 1st of April, and the 1st of May, 1867, comparatively:

	Mar. 1.	April 1.	May 1.
5 per cent. bonds.....	\$198,091,350	\$198,091,350	\$198,421,350
" " of 1867 and 1868.....	15,679,444	15,432,642	15,879,642
" " of 1861.....	233,745,400	233,745,600	233,745,200
5.30's.....	954,869,000	959,562,000	1,081,140,150
Navy Pension Fund.....	12,500,000	12,500,000	12,500,000
	<u>\$1,464,555,922</u>	<u>\$1,499,381,592</u>	<u>\$1,541,203,342</u>

	Mar. 1.	April 1.	May 1.
6 per cent. bonds.....	\$12,922,000	\$12,922,000	\$12,922,000
3-year Compound Interest Notes.....	141,306,890	139,023,590	134,774,510
3-year 7.30 notes.....	582,798,060	582,530,160	549,419,200
	<u>\$787,026,890</u>	<u>\$734,280,780</u>	<u>\$697,115,710</u>

	Mar. 1.	April 1.	May 1.
DEBT ON WHICH INTEREST HAS CEASED.			
Various bonds and notes.....	\$14,570,689	\$12,235,658	\$11,932,540

	Mar. 1.	April 1.	May 1.
DEBT BEARING NO INTEREST.			
United States Notes.....	\$374,235,696	\$375,417,249	\$374,247,687
Fractional currency.....	29,514,722	29,217,495	28,975,879
Gold certificates of deposit.....	18,876,180	12,590,000	15,400,410
	<u>\$422,626,598</u>	<u>\$417,225,344</u>	<u>\$418,623,506</u>

	Mar. 1.	April 1.	May 1.
Aggregate debt.....	\$2,690,587,289	\$2,663,713,374	\$2,668,875,099
Coin and Currency in Treasury.....	159,323,399	140,235,304	148,098,002
Debt, less coin and currency.....	<u>\$2,530,763,890</u>	<u>\$2,523,478,070</u>	<u>\$2,520,786,096</u>

The following statement shows the amount of coin and currency separately at the dates in the foregoing table:

	Mar. 1.	April 1.	May 1.
Gold Coin.....	\$107,271,081	\$105,956,477	\$114,250,444
Currency.....	52,252,368	34,235,337	33,838,558
Total gold coin and currency.....	<u>\$159,523,399</u>	<u>\$140,235,304</u>	<u>\$148,098,002</u>

ERIE RAILWAY.

The following statement shows the amounts earned and expended by the Erie Railway Company for the past five years:

	1867. 628m.	1868. 729m.	1864. 798m.	1865. 798m.	1866. 775m.
Passenger.....	\$1,300,450	\$1,850,964	\$3,022,198	\$4,031,680	\$3,149,290
Freight.....	7,065,363	8,476,810	10,342,897	11,268,761	11,267,641
U. S. mails.....	101,652	101,052	101,352	101,353	129,456
Other sources.....	32,969	40,635	88,196	32,983	57,026
Gross earnings.....	<u>\$8,400,334</u>	<u>\$10,469,481</u>	<u>\$13,439,643</u>	<u>\$15,434,775</u>	<u>\$14,596,413</u>
" per mile.....	13,376	14,863	16,850	19,336	18,534

Expenses.....	\$4,860,748	\$5,940,088	\$8,882,040	\$10,368,364	\$10,853,140
" per mile.....	7.740	8.161	11.144	13.009	14.004
Profits.....	\$3,589,536	\$4,580,895	\$4,547,808	\$5,068,511	\$3,742,278
" per mile.....	5.636	6.303	5.706	6.327	4.880
Expenses, per cent.....	87.86	86.82	66.12	67.28	74.35

The following shows the disbursements of the net earnings for each of the five years :

Interest on bonds.....	\$1,399,405	\$1,406,408	\$1,321,806	\$1,399,770	\$1,631,073
Rent of leased roads.....	133,400	133,400	133,400	132,400	587,212
" of L. D. property.....	144,040	143,552	135,163	146, 90	163,690
Internal Revenue taxes.....	27,617	113,595	333,519	561,260	300,515
Taxes on Real Estate.....	71,580	104,259	259,519	225,416	246,335
Interest.....	5,243	5,246	.....	49,329	95,181
Hire of cars.....	.....	30,352	35,733	29,254	31,331
Pavonia Ferry (net).....	25,006	30,352	54,159	22,945	Prof. 18,512
Loss by fire.....	91,736	10,000	.....	.....	.....
Sinking fund—Buff. Br.....	2,900	.....	.....	.....	.....
Buff., N. Y. & Erie R.R.....	.....	332,730	373,454	582,242	(See rents
Damages Pa. Coal Co.....	.....	.....	.....	.....	95,006
Total before dividends.....	\$1,992,235	\$2,309,096	\$2,635,427	\$3,218,311	\$3,135,642
Old debts paid.....	1,182,945	.....	.....	.....	.....
Dividends July 1.....	.....	699,023	925,922	906,641	.....
" Jan. 1.....	436,785	761,040	906,633	863,579	567,305
Surplus Dec. 31.....	20,631	761,197	79,553	697,990	40,326

The cost of the property of the company at the close of the same five fiscal years were represented by—

Common stock.....	\$11,437,500	\$11,569,500	\$16,400,000	\$16,570,100	\$16,574,300
Preferred stock.....	8,535,700	8,535,700	8,535,700	8,535,700	8,535,700
Bonds.....	20,131,500	19,961,000	17,523,400	22,370,923	22,370,923
Stock and bonds.....	\$40,104,700	\$40,066,300	\$42,759,100	\$47,476,723	\$47,480,923
Nominal cost.....	39,021,293	39,404,648	43,583,058	47,409,404	49,122,685

Difference (made up by the Drew loan on 28,000 shares at 60)..... \$1,641,703

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The following advertisements appear in our advertising pages this month:

MERCANTILE. Lilie's Fire & Burglar-Proof Safes—198 B'way Fowler & Wells—359 Broadway. L. Frang & Co.—Boston and New York—Holiday Publiat on, etc. Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc. Mercantile Library—Clinton Hall, Astor Place and Eighth St. Ferdinand Korn—191 Fulton St.—Eau de Cologne. Lewis Audendried & Co.—110 Broadway—An- thracite and Bituminous Coal. Stillman's Journal. A. B. Sande & Co.—139-141 William St.—Drugs J. W. Bradley—97 Chambers St.—Hoop Skirts. Chickering & Sons—633 Broadway—Pianos. BANKERS & BROKERS. Tenth National Bank—336 Broadway. Barstow, Eddy & Co.—20 Broad St. Lockwood & Co.—94 Broadway. Vermilye & Co.—44 Wall St.	Eugene Kelly & Co.—36 Wall St. DeWitt, Kittie & Co.—36 Wall St. Simon De Visser—52 Exchange Place. Duncan, Sherman & Co.—Cor. Pine & Nassau. L. F. Morton & Co.—30 Broad Street. Robinson & Ogden—4 Broad St. Howe & Macy—30 Wall St. Gilmore, Dunlap & Co.—Cincinnati. Lewis Johnson & Co., Washington. Ninth National Bank—353 Broadway. INSURANCE. New York Mutual Insurance Co.—61 William st Fidelity Insurance Co.—17 Broadway. Marine—Atlantic Mutual Ins. Co.—51 Wall St. Mercantile Mut. Ins. Co.—35 Wall St. Orient Mutual Ins. Co. Sun Mutual Ins. Co.—49 Wall St. Great Western Insurance Co. Fire—Hope Fire Ins. Co.—93 Broadway. Germania Fire Ins. Co.—175 Broadway. Aetna Insurance Co.—Hartford. U. S. Life Insurance Co.—40 Wall St.
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THE MERCHANTS' MAGAZINE

AND

COMMERCIAL REVIEW.

JUNE, 1867.

MILWAUKEE, WISC.

Milwaukee is the largest and most important city of the State of Wisconsin. It is located on the river of the same name, or, more properly, partly on the river and partly on the bluffs overlooking Lake Michigan, lat, 43° 02' 34" north, and long. 87° 54' 22" west, about 85 miles north from Chicago. The district of which it is the port of entry embraces the whole Wisconsin shore of the Lake, and includes the sub-ports of Kenosha and Racine southward, and Port Washington and Sheboygan northward.

This city was founded in 1835, and was incorporated in 1846. The progress of the city and State in population, in the twenty-five years (1845-65) is thus marked by successive enumerations:

Census.	Population		City to State.	Census Years.	Rate of Increase	
	City.	State.			City.	State.
1840.....	1,712	80,945	5.5 per cent.			
1845.....	9,655	155,277	6.2 " "	1840-45.....	463.9	401.8
1850.....	20,061	305,891	6.5 " "	1845-50.....	107.8	97.0
1855.....	30,447	552,451	5.5 " "	1850-55.....	51.5	80.6
1860.....	45,246	775,881	5.8 " "	1855-60.....	48.6	40.4
1865.....	55,641	868,937	6.4 " "	1860-65.....	22.9	12.1

The city and its external relations are thus depicted by the editor of the Eighth Annual Report of the Milwaukee Chamber of Commerce:

"Milwaukee is very favorably located for commercial purposes, and its natural advantages were recognized at an early day as likely to place it

among the foremost of the inland cities of the continent. Its career during the last fifteen or twenty years shows that this expectation was by no means a "baseless" one, and justifies the belief that even those reckoned among the "oldest inhabitants" may live to see its full realization. Situated on the western shore of Lake Michigan, about eighty five miles from the head of that magnificent inland sea, and possessing a harbour unequalled on the whole chain of lakes, it seems to have been designed by nature as the great receiving point for the surplus products of that vast domain composing Wisconsin, Northern Iowa and Minnesota, as well as the general distributing point for the eastern and foreign merchandise required to supply the rapidly increasing population of all that productive and flourishing section of country. The Milwaukee and Menomonee rivers flow through the city, affording a river front of almost unlimited extent, and uniting in the heart of the city, form a harbor capable of accommodating a fleet of two thousand vessels of the largest class. The entrance to the harbor is protected by two parallel piers extending out into deep water, and securing a permanent channel-way 260 feet wide and 12 feet deep in its shallowest part. The Milwaukee river is dammed about three miles from its mouth, furnishing a good water-power, upon which the manufacture of flour is extensively carried on."

The railroads at present terminating in Milwaukee are:

1st. The *Milwaukee and St. Paul Railway*, running in a northwesterly direction through Columbus and Portage City to La Crosse, on the Upper Mississippi, a distance of two hundred miles from Milwaukee. This road, or a branch road connected with it, will, without doubt, be extended, within the next year, or two at most, to Winona, Minn., thus bringing the extensive railroad system radiating from that thriving city into direct communication with Milwaukee. The Winona and St. Peter Railroad, which must necessarily form one of the most important feeders of the Milwaukee and St. Paul Railway, is already in operation, 91 miles due west of Winona. To Owatonna, where it connects with the Minnesota Central Railroad, establishing an unbroken line of railroad between Milwaukee and St. Paul. The old Milwaukee and Horicon Railroad, extending to Berlin on the Fox river, forty-two miles long, together with the Ripon and Wolf River Road, running from Ripon to the Wolf river, are now branches of the Milwaukee and St. Paul Railway, owned and operated by the same company. The Chicago and Northwestern Railroad, intersecting the Milwaukee and St. Paul Railway at Watertown Junction, and extending through Fond du Lac and Oshkosh to Green Bay, is also an important feeder to the same trunk line, but in consequence of the hostility of the management of the Northwestern Road to Milwaukee, much of the trade from the portions of the State through which it passes, that would naturally come to this city, is forcibly diverted to a more distant and inferior market.

2d. The *Milwaukee and Prairie du Chien Railway*, running through the most populous and productive portion of the State, from Milwaukee to Prairie du Chien, on the Mississippi river, 196 miles, with a branch extending 40 miles in a southwesterly direction from Milton, through Janesville to Monroe, in Green County, 110 miles from Milwaukee. As soon as the Company shall have completed the McGregor Western Road so as to secure direct connection with the Minnesota Central, they will no

doubt give their attention to the extension of their southern branch, from Monroe to Mississippi at Dubuque, which will establish their connection with the extensive system of railroads running into Iowa from that point. The McGregor Western Railway, alluded to above, has been leased for a long term of years by the Milwaukee and Prairie du Chien Railway Company, who are vigorously pushing it through to completion, the intention being to extend it to the north line of the State of Iowa so as to connect with the Minnesota Central from St. Paul. This road is already in operation a distance of 66 miles from McGregor, and preparations are in progress to bridge the Mississippi between the latter place and Prairie du Chien during the present season.

3d. *The Milwaukee and Minnesota Railroad*, running in a northwesterly direction to Portage City, about midway between Milwaukee to La Crosse. This was formerly known as the Eastern Division of the old La Crosse and Milwaukee Railroad, and until quite recently was operated as part of the Milwaukee and St. Paul Railway. The Western Division of the old La Crosse and Milwaukee Road is owned by the Milwaukee and St. Paul Railway Company, who, by purchasing the Milwaukee and Western Railroad, and building 40 miles of new road between Columbus and Portage City, secured a through and direct line of their own to La Crosse, and leaving the Eastern Division for the present without an outlet to the Mississippi. The protracted litigation for the possession of this road was terminated a year ago in favor of the Milwaukee and Minnesota Railroad Company, who are now operating it between Milwaukee and Portage City. The Milwaukee and Minnesota Railroad connects with the Northwestern Railroad at Minnesota Junction, running to Fond du Lac, Oshkosh and Green Bay.

4th. *The Chicago and Milwaukee Railway*, running along the lake shore from Milwaukee to Chicago, 85 miles, and connecting with the numerous lines of railway at that point running east, south and west. Twenty miles from Milwaukee, this road intersects the Western Union Railroad, running through Southwestern Wisconsin and Northern Illinois to Savanna, on the Mississippi River, 165 miles from Milwaukee, thus forming the shortest line between Lake Michigan and the Mississippi. It is proposed to establish more direct means of communication with this part of the country by building, the coming summer, an air line of railroad from Milwaukee to Burlington, in Racine County, a distance of 60 miles.

It will be seen by the foregoing that the network of railroads centering at Milwaukee is being gradually but steadily extended and perfected, so that within a very few years the number of miles of railroad tributary to our city will be doubled and our commerce increased in the same or a larger proportion.

In addition to the Chicago and Milwaukee Railway, we have, by means of the Detroit and Milwaukee Railroad and Steamship Line across Lake Michigan, a direct Eastern communication with the Canadian railways and those of New England and New York. This route is available for the transportation of freight during at least ten months of the year, and during the summer season the trip across the lake, in splendid steamships built expressly for the line, forms a pleasant break in the monotony of a railroad journey between the East and West.

The grain trade of Milwaukee has grown up with amazing rapidity, and

is destined to make the port one of the most famous breadstuff entreports of the Union. The whole of Wisconsin and Minnesota is tributary to it, and as these become further developed, the business of the city must naturally be increased. In 1845 its whole export of flour was only 7,550 barrels; in 1866 it exported 720,365 barrels, being nearly a hundred to every one twenty-two years ago. Its wheat trade has grown more rapidly: in 1845 the whole export was 95,510 bushels—in 1866, 11,634,740 bushels; and in 1862 it amounted to 14,915,680 bushels. The trade in other grains has moved disproportionately and irregularly, but, on the whole, is considerable.

In order to show the localities from which Milwaukee draws its principal supplies of flour and grain, and what disposition is made of them, we give the following table showing the receipts and exports for the year 1866:

Received by—	Flour, bbls.	Wheat, bush.	Oats, bush.	Corn, bush.	Rye, bush.	Barley, bush.
Mill. & P. du Chien R.R.	112,469	5,161,549	1,032,361	411,543	173,626	22,323
Mill. & St Paul R.R.	186,890	4,769,687	33,099	21,563	21,963	19,723
Hor. Div. Mill. & St. P. R.R.	18,869	221,750	.....	.....	.....	.....
Mill. & Minn. R.R.	111,988	1,161,981	2,098	648	1,637	25,886
Chic. & N W. R.R.	7,888	991,251	789,578	231,346	180,104	42,796
Lake	27,606	177,663	10,095	94,090	710	23,607
Teams	36,000	263,557	Unknown.	Unknown.	Unkn'n.	Unkn'n.
Total receipts	483,694	12,777,557	1,817,230	789,080	323,030	125,496
In store Jan. 1, 1866	7,639	852,297	107,759	7,063	10,523	15,103
Flour made by city mills	223,730	.....	.....	.....	.....	.....
Total supply	824,763	13,629,794	1,925,019	796,143	333,558	167,798
Shipped to—	Flour, bbls.	Wheat, bush.	Oats, bush.	Corn, bush.	Rye, bush.	Barley, bush.
Buffalo	217,405	5,398,111	1,465,375	350,601	201,609	7,672
Oswego .....	.....	2,455,499	42,367	30,515	50,600	.....
Ogdensburg	49,386	674,863	2,584	500	.....	.....
Cleveland .....	.....	1,075,014	.....	.....	.....	.....
Toledo .....	.....	175,960	.....	.....	.....	.....
Sandusky .....	.....	48,643	.....	.....	.....	.....
Chicago .....	.....	122,875	.....	.....	.....	.....
Cape Vincent .....	.....	91,800	.....	.....	.....	.....
Lake Superior	6,592	.....	51,063	7,287	.....	1,040
Other U. S. ports	32,312	83,584	34,712	28,350	1,443	276
Sarnia	87,933	69,075	20,250	12,394	.....	.....
St. Catharines .....	.....	442,142	.....	.....	.....	.....
Kingston	295	155,640	.....	26,600	.....	.....
Montreal .....	.....	78,166	.....	.....	.....	.....
By Chic. & N W. R.R.	242,631	695,188	8,506	.....	1,000	7,050
By Detroit & Mil. R.R.	83,812	63,170	16,798	29,661	677	2,950
Total shipments	720,365	11,634,740	1,636,625	480,408	255,329	18,968
Consu'd & on hand Dec. 31, '66.	104,448	.....	288,324	315,734	128,229	143,810
Wheat ground by city mills .....	.....	1,643,630	.....	.....	.....	.....
Wheat in store Dec. 31, '66. ....	.....	851,295	.....	.....	.....	.....
Grand total	824,763	13,629,794	1,925,019	796,143	333,558	167,798

The two following tables show the total movement of flour and grain for a series of nine years:

RECEIPTS OF FLOUR AND GRAIN 1856-1866.

	Flour, bbls.	Wheat, bushels.	Oats, bushels.	Corn, bushels.	Barley, bushels.	Rye, bushels.
1858	269,871	4,876,177	68,470	107,948	159,576	21,456
1859	239,952	5,459,927	360,912	156,341	123,584	32,733
1860	305,208	9,108,458	178,963	126,404	159,795	32,382
1861	518,300	15,730,706	151,346	114,981	66,991	73,448
1862	529,600	15,613,995	282,756	258,954	149,997	154,476
1863	453,424	13,485,419	948,429	355,450	199,469	158,882
1864	295,225	9,147,274	1,955,344	460,575	193,325	88,541
1865	389,771	12,043,659	657,492	270,754	149,443	134,360
1866	488,094	12,777,557	1,817,230	789,080	152,696	323,030

The quantity of flour made at the city mills during each of the last eight years was as follows:

In 1859.....	142,500 barrels.	In 1868.....	185,813 barrels.
1860.....	202,810 "	1864.....	187,339 "
1861.....	250,256 "	1865.....	212,829 "
1862.....	221,729 "	1866.....	328,780 "

EXPORTS OF FLOUR AND GRAIN 1857-1866.

	Flour, bbls.	Wheat, bushels.	Oats, bushels.	Corn, bushels.	Barley, bushels.	Rye, bushels.
1857.....	228,443	2,581,311	2,775	474	800	.....
1858.....	298,688	3,994,213	562,067	43,958	63,178	5,378
1859.....	282,956	4,732,957	299,002	41,864	53,216	11,577
1860.....	457,343	7,568,608	64,682	37,204	28,056	9,735
1861.....	674,474	13,300,495	1,200	1,485	5,220	29,810
1862.....	711,405	14,915,680	79,004	9,489	44,800	126,301
1863.....	608,526	12,837,620	831,600	88,989	133,440	84,047
1864.....	414,833	8,992,479	811,634	146,786	23,479	13,210
1865.....	567,576	10,479,777	326,472	71,203	29,597	51,444
1866.....	720,865	11,634,749	1,636,695	480,408	18,988	255,329

The following table shows the amount of flour and grain in store on the 1st of January, for eight years:

	1857.	1866.	1865.	1864.	1863.	1862.	1861.	1860.
Flour, bbls.....	15,590	7,939	12,949	28,519	35,000	41,357	13,296	43,000
Wheat, bush.....	351,895	852,237	352,500	1,134,400	1,411,601	1,326,931	648,000	314,000
Oats, bush.....	44,832	107,789	61,700	87,500	.....	.....	.....	.....
Corn, bush.....	12,940	7,069	5,400	.....	.....	.....	.....	.....
Rye, bush.....	12,785	10,528	.....	.....	.....	.....	.....	.....
Barley, bush.....	889	15,102	21,390	.....	.....	.....	.....	.....

The beef and pork business of Milwaukee, though second to the flour and grain trade, is still important, and a distinguishing feature in the general trade of the city. The receipts of hogs for eight seasons, with the average and total weight dressed may be seen in the annexed statement:

In season of		Number of hogs.	Average wt., pounds.	Total weight, pounds.	Price of dressed hogs.
1858-59.....		52,091	225½	7,228,497	.....
do 1859-60.....		51,687	193½	10,001,434	.....
do 1860-61.....		60,129	238½	14,350,768	5 00@ 6 55
do 1861-62.....		89,461	200	19,892,200	2 50@ 3 50
do 1862-63.....		132,465	219	29,958,885	3 50@ 5 25
do 1863-64.....		141,091	202	28,600,382	5 50@ 8 25
do 1864-65.....		107,220	196½	21,108,934	12 00@ 15 25
do 1865-66.....		92,857	232½	21,589,252	9 00@ 11 35

The results of pork-packing in the city for the last four seasons was as follows:

	1862-63.	1863-64.	1864-65.	1865-66.
Number of hogs.....	182,465	141,091	107,229	88,858
Average net weight.....	219	202	196½	232½
Lard, pounds.....	6,016,707	3,791,485	2,514,312	2,954,779
do to each hog.....	33	27½	23½	33½
Pork, clear, bbls.....	.....	1,065	2,943	1,350
do mess do.....	45,536	33,794	20,275	38,393
do prime do.....	7,883	17,114	18,710	1,170
do extra prime, bbls.....	13,912	8,464	8,361	5,643
do rumps do.....	.....	.....	.....	248
Middles, Cumberlands, boxes.....	.....	.....	1,923	1,543
do short rib do.....	.....	.....	733	330
Shoulders, dry salted, lbs.....	.....	.....	.....	2,049,622
Hams, sweet pickled, tcs.....	.....	.....	.....	8,228
do do bbls.....	.....	.....	.....	1,205

The number of cattle, calves, hogs and sheep slaughtered in the three years 1863-65, inclusive, according to the U. S. Assessors' return, was as follows:

	Beef Cattle.	Calves.	Hogs.	Sheep.
In 1863.....	25,170	5,021	58,829	5,217
1864.....	26,471	6,843	42,155	8,140
1865.....	13,988	4,987	7,989	12,375

The receipts of cattle and general returns of beef packing for four years, as given in the report of the Chamber of Commerce were as follows:

	1863.	1863.	1864.	1865.
Receipts of cattle.....	25,170	26,471	20,177	
Cattle slaughtered.....	13,876	18,224	18,078	11,860
Beef packed..... bbls.	25,275	31,865	35,274	9,629
" "..... tcs.	2,940	10,145	4,080	10,142
Tallow..... lbs.	677,700	1,024,920	540,540	753,044

The returns for 1865 are defective, and as to the number of cattle slaughtered the Commercial, as compared with the Assessor's report is short by 2,628 head.

The total shipments of provisions from Milwaukee for the same years are shown in the following:

	Pork			Beef		Lard		Tallow	
	Bbls.	Tcs.	Boxes.	Bbls.	Tcs.	Bbls.	Tcs.	Bbls.	Hhds.
1862.....	56,434	12,965	.....	33,174	8,217	13,588	6,751	4,750	....
1863.....	90,387	15,811	.....	42,987	6,377	10,987	10,546	4,928	250
1864.....	67,933	5,927	11,634	36,866	5,871	6,567	7,07	5,355	249
1865.....	34,013	2,713	5,000	10,437	5,528	1,929	2,487	927	43

The following table shows the equivalent in barrels of pork and beef products exported in fifteen years:

	Pork, bbls.	Beef, bbls.		Pork, bbls.	Beef, bbls.		Pork, bbls.	Beef, bbls.
1851.....	8,877	2,441	1856.....	11,749	2,899	1861.....	47,438	18,665
1852.....	23,661	7,843	1857.....	1,045	3,754	1862.....	69,099	37,988
1853.....	7,226	4,371	1858.....	8,864	12,133	1863.....	122,109	52,552
1854.....	26,897	6,018	1859.....	31,661	14,371	1864.....	100,963	44,673
1855.....	33,047	236	1860.....	23,019	21,390	1865.....	48,707	18,719

The receipts and shipments of butter, wool and hides for seven years are shown in the annexed:

	Butter, lbs.		Wool, lbs.		Hides	
	Received.	Shipped.	Received.	Shipped.	Received	Shipped.
1859.....	545,858	504,574	492,259	713,552	.....	.....
1860.....	889,025	814,360	485,714	669,375	86,409	32,941
1861.....	484,358	687,706	732,706	1,000,225	69,743	17,991
1862.....	1,068,967	1,238,406	1,149,772	1,314,210	128,168	32,042
1863.....	852,596	986,826	.....	1,355,379	110,849	21,807
1864.....	1,386,817	1,749,755	1,957,601	1,998,372	144,834	44,961
1865.....	1,200,381	1,263,740	1,787,268	2,277,850	134,019	31,449

The receipts of hides includes hides taken off by city butchers and packers which numbered for the six years above given 12,873, 12,306, 17,876, 21,381, 26,471, and 18,925 respectively. The difference between the receipts and shipments gives the number of hides tanned or on hand at the end of the year. The shipments of leather in 1864 was 8,726 rolls, and in 1865, 8,993 rolls.

The Lumber Trade of Milwaukee is extensive, but by no means as large and regular as it otherwise would become had the city more direct communication with the consuming regions of Illinois and Iowa. Such a

communication, however, is about to be made in the construction of a railroad from the city to a junction with the Western Union Railroad, which traverses Northern Illinois to the Mississippi River, and it is estimated by those qualified to judge that this will increase the trade a hundred per cent within a year after its completion. The following table shows the receipts for ten years :

	Lumber, ft.	Shingles, No.	Lath, ft.		Lumber, ft.	Shingles, No.	Lath, ft.
1856.....	63,498,000	11,689,000	5,202,000	1861.....	54,594,000	19,602,000	2,822,000
1857.....	71,035,000	21,531,000	9,570,000	1862.....	38,858,000	13,385,000	3,950,000
1858.....	45,525,000	17,569,000	6,319,000	1863.....	30,158,114	7,971,000	1,873,000
1859.....	32,047,000	13,814,000	3,108,000	1864.....	35,547,868	8,327,000	2,438,000
1860.....	30,124,000	12,911,000	2,839,000	1865.....	42,065,778	2,559,000	3,525,000

The falling off in the lumber trade since 1856 and 1857, in which years it received its highest development, has been owing to the completion of the Chicago and Northwestern Railroad to the lumber region. By this line the lumber formerly carried into Milwaukee, and thence by water into Chicago, is now carried directly to the latter port.

The principal receipts of Eastern merchandise by lake and the Detroit and Milwaukee Railway steamers for these years are shown in the following statement :

	1863.	1864.	1865.		1863.	1864.	1865.
Apples, bbls.....	69,910	51,364	88,606	Oil, bbls.....	8,757	7,949	14,946
Coffee, sacks.....	7,801	5,406	9,575	" casks.....	153	130	173
Coal, tons.....	42,315	44,503	38,369	Sugar, bbls.....	33,999	19,509	23,520
Dried apples, bbls..	4,003	2,046	1,390	" hhd's.....	2,565	1,133	2,554
" sacks.....		193	428	" boxes.....	546	326	638
Fish, pkgs.....	24,252	25,444	40,589	Salt, bbls.....	177,094	119,102	130,061
Hardware, pkgs.....	33,000	23,327	43,601	" sacks.....		1,753	100
Iron, bars.....	57,935	45,909	43,146	" tons.....	1,543		
" bbls.....	50,492	29,391	22,361	Stoves, No.....		30,096	36,498
Molasses, bbls.....	9,045	5,501	9,135	Tea, chests.....	11,035	7,427	11,108
" hhd's.....	140	156	40	Tin plates, bxs....	7,860	1,509	3,002
Nails, kegs.....	50,783	35,574	37,356				

The total amount of Eastern merchandise, exclusive of coal, railroad iron and plaster, received in 1865, was 50,444 tons, of which 36,390 tons arrived by lake and 14,054 tons by the Detroit and Milwaukee Railroad. A very considerable amount was also received by the Chicago and Milwaukee Railroad, of which no account is recorded.

From the records of the Custom House it appears that the total value of articles imported directly from foreign countries in 1865 was \$160,806, and the value of produce exported to foreign countries, mostly Canada, \$2,129,988. In 1864 the imports were only \$16,628, but the exports amounted to \$3,778,820. Among the exports in 1865 were: flour 155,521 bbls., wheat 1,355,899 bush., pork 2,034 bbls., and 27,450 lbs., &c.

The total number of arrivals at the Milwaukee Custom House in 1865 was 3,099 vessels, and 1,359,962 tons. The number of departures was 3,085 and 1,358,819 tons. The arrivals and departures in 1865, and the three previous years were as follows :

ARRIVALS.			DEPARTURES.		
	Vessels.	Tons.		Vessels.	Tons.
American vessels.....	3,080	1,339,714	American vessels.....	2,974	1,314,504
Foreign vessels.....	63	20,248	Foreign vessels.....	111	34,315
Total, 1865.....	3,099	1,359,962	Total, 1865.....	3,085	1,358,819
" 1864.....	3,061	1,356,540	" 1864.....	3,032	1,353,851
" 1863.....	3,414	1,533,138	" 1863.....	3,297	1,534,631
" 1862.....	3,381	1,489,473	" 1862.....	3,256	1,502,325

Besides the articles of commerce named in the above statements there are a number of others which enter into the trade of Milwaukee, the products of Wisconsin or the manufactures of the city itself. Among the former are the lead of Southern and the iron of Northern Wisconsin, the ales and beer of the city, and the high wines. The receipts of lead in 1865 were 4,636 pigs, or 348,000 lbs. and of pig-iron 1,785 tons. The total of high wines made in the city was 3,046 barrels, and of beer and ale 58,666 barrels. There are probably a greater number of breweries in Milwaukee than in any other Western city, and the famous Milwaukee lager is a favorite beverage far and near. These breweries are also among the largest in the country.

SUPPLY OF COAL AND OTHER FUELS IN EUROPE AND AMERICA.*

An important question has commanded attention on both sides of the Atlantic, but chiefly in Great Britain, as to the yield of the coal fields at present known, and whether it will long suffice for the growing demand? It has been asserted that at no very distant day the coal mines of the United Kingdom will fail to supply fuel enough for the constantly increasing requirements of local consumers and exporters; and the allegation is met by another, coming from Mr. Hussey Vivian, to the effect that, at the present rate of consumption, the collieries of the British Islands will yet last for a period of 500 years. Another theory is that at the present rate of production—say 100,000,000 tons per annum—exhaustion will follow in 300 years; and still another estimate places the limit at 212 years. As the fuel question is one of considerable interest, it has been thought worth while to collect some information bearing upon it, and present it here in a concise form, with the premise that this is not the place to discuss differences in statements, nor to try to reconcile discrepancies.

COAL FIELDS OF THE WORLD.

The following table (abridged from Daddow & Bannan's volume, entitled, "Coal, Iron, and Oil,") affords a very comprehensive view of the extent of the coal fields in Europe and America. Exceedingly little indeed is known of the other coal formations of the world; it is quite probable, however, that vast coal regions exist in Brazil, Africa, Hindostan and China:

Countries.	Total area of the territory in the country. sq. m.	Area of the coal formation. sq. m.	Total profitable work'g area. sq. m.	Estimated contents p. acre to a.	Number of work-able acres in coal area.	Coal produced in each country in 1865. tons.	Estimated total available supply in each country. tons.
Russia in Europe.....	2,096,000	.....	100	.....	.....	.....	.....
Spain.....	177,781	4,000	200	.....	.....	.....	.....
Belgium.....	11,313	530	510	90,000	526,400	10,000,000	30,000,000,000
Austria.....	257,880	2,000	800	90,000	512,000	8,000,000	46,050,000,000
France.....	203,786	2,000	1,000	90,000	640,000	10,000,000	57,690,000,000
Great Britain.....	131,000	12,000	6,195	45,000	8,200,000	90,000,000	144,000,000,000
British North America ..	100,000	18,000	2,200	30,000	1,408,000	560,000	42,240,000,000
Australia.....	3,120,000	100,000	15,000	30,000	9,600,000	250,000	288,000,000,000
Pennsylvania (Anthracite) ..	46,000	530	470	90,000	800,800	10,000,000	27,070,000,000
do (Bituminous) ..	46,000	15,000	13,000	45,000	8,320,000	15,000,000	294,400,000,000
Illinois.....	55,405	40,000	30,000	30,000	19,200,000	1,000,000	576,000,000,000
Other regions in U. States.....	3,000,000	500,000	200,000	30,000	128,000,000	22,000,000	3,748,000,000,000

* Prepared by Wm. J. Patterson, Secretary of the Montreal Board of Trade.

The subjoined statement shows the workable areas of the coal fields in various countries, with the quantities produced in 1864 :

	Square miles.	Tons produced.
British Islands.....	6,195	86,000,000
United States.....	200,000	22,000,000
Prussia and Saxony.....	1,000	12,000,000
France.....	1,000	10,000,000
Belgium.....	510	10,000,000
Austria and Bohemia.....	1,000	2,500,000
Spain.....	200	400,000
British North America.....	2,200	500,000

Total tons produced..... 143,400,000

The area of all Europe is about 3,758,000 square miles, the coal-producing area being less than 10,000 square miles. The entire area of the United States is about 3,000,000 square miles, the productive coal area being over 200,000 square miles. Great Britain has an area of only 121,000 square miles, yet its productive coal area is 6,195 square miles, or nearly double that of all the rest of Europe. Europe has about one square mile of coal area to every 375 of territory; the United Kingdom has one to every 20 square miles; the United States one to every 15 square miles; and British North America one to every 46 square miles.

COAL FIELDS OF GREAT BRITAIN.

The extent of the British coal fields has been stated thus :

	Square miles.		Square miles.
Great Northern Coal Field, in Northumberland and Durham	750	Staffordshire	250
Great Central Coal Field, Yorkshire.....	900	Warwickshire	105
Cumberland, West.....	100	Forest of Dean	30
Lancashire, Cheshire.....	500	Somerset and Gloucester.....	50
North Wales	160	Derbyshire	250
Shropshire	100	South Wales.....	1,250
		Scotland.....	1,500
		Ireland	250
Total square miles			6,195

The subjoined statement is condensed from Dr. Ure's estimate of the workable area of the principal coal fields in the United Kingdom :

Principal Coal Fields.	No. of workable seams.	Thickest seam in feet.	Estimated workable area, acres.
Northumberland and Durham	18	7	500,000
Cumberland, Westmoreland and West Riding of Yorkshire.....	7	9	99,500
Lancashire, Flintshire, and North Staffordshire....	75	10	550,000
Yorkshire, Nottinghamshire, and Derbyshire.....	12	10	651,500
Shropshire and Worcestershire.....	17	..	79,954
South Staffordshire	11	40	65,000
Warwickshire and Leicestershire	9	21	80,000
Somersetshire and Gloucestershire	50	7	167,500
South Wales.....	30	9	600,000
Scotland	84	30	1,045,000
Ireland	9	6	1,860,000
Total estimated workable area.....		acres.	5,688,454

Edward Hull, Esq., of the British Geological Survey, made the following statement of the condition of the principal coal fields of the United Kingdom :

Coal crop.	Area, Square miles.	Coal contents, millions of tons.	Produce of 1861, tons.	No. of collieries 1861.
Scotch.....	1,920	25,300	11,081,000	424
Newcastle.....	1,845	24,000	34,635,884	848
Lancashire, Staffordshire, etc....	535	7,594	25,643,000	1,158
South Wales.....	1,094	26,560	13,201,796	516
Cumberland.....	25	90	1,255,644	28
Totals.....	5,419	83,544	85,817,324	2,974

W. Stanley Jevons, Esq., in his work on "The Coal Question," has tabulated estimates respecting the duration of the Northumberland and Durham coal field :

Author of estimate.	Date of estimate.	Supposed area of coal measures unworked, sq. miles.	Estimated amount of coal, millions of tons.	Assumed annual consumption of coal, tons.	Duration of supply, years.
MacNab.....	1792	300	....	.....	360
Bailey.....	1801	...	....	1,868,200	200
Thomson.....	1814	...	5,575	3,700,000	1,000
Bakewell.....	....	...	....	.....	350
Hugh Taylor.....	1830	732	6,046	3,500,000	1,727
Buckland.....	1830	...	....	.....	400
Greenwell.....	1846	...	....	10,000,000	331
T. Y. Hall.....	1854	750	5,122	14,000,000	365
E. Hull.....	1864	685	7,226	16,001,125	450

Sir William Armstrong remarked in 1863 upon these calculations as follows :

"The estimates are certainly discordant ; but the discrepancies arise, not from any important disagreement as to the available quantity of coal, but from the enormous difference in the rate of consumption at the various dates when the estimates were made, and also from the different views which have been entertained as to the probable increase of consumption in future years. The quantity of coal yearly worked from British mines has been almost trebled during the last twenty years, and has probably increased tenfold since the commencement of the present century ; but as this increase has taken place pending the introduction of steam navigation and railway transit, and under exceptional conditions of manufacturing development, it would be too much to assume that it will continue to advance with equal rapidity.

"The statistics collected by Mr. Hunt, of the Mining Record Office, show that, at the end of 1861, the quantity of coal raised in the United Kingdom had reached the enormous total of 86 millions of tons, and that the average annual increase in the eight preceding years amounted to 2½ millions of tons.

"Let us inquire, then, what will be the duration of our coal fields, if this more moderate rate of increase be maintained. By combining the known thickness of the various workable seams of coal, and computing the area of the surface under which they lie, it is easy to arrive at an estimate of the total quantity comprised in our coal-bearing strata. Assuming 4 000 feet as the greatest depth at which it will ever be possible to carry on mining operations, and rejecting all seams of less than two feet in thickness, the entire quantity of available coal existing in Great Britain has been calculated to amount to 80,000 millions of tons—which, at the present rate of consumption, would be exhausted in 930 years ; but with a continued yearly increase of 2½ millions of tons, would only last 212 years."

It is certain that the annual yield of coal by the 3,268 mines in Great

Britain, is now considerably more than 100,000,000 tons annually. The British Board of Trade returns show that the local and export trade of the Kingdom were as follows :

	Local consumption.	Exported.
In 1864.....	60,852,146 tons.....	4,309,256 tons.
1865.....	85,461,038 ".....	9,170,477 "
1866 (estimated).....	89,082,216 ".....	9,916,244 "

It appears from these figures that in eleven years the consumption of coal in Great Britain had increased $41\frac{1}{2}$ per cent. ; while the quantity exported during the same period showed an increase of $112\frac{3}{4}$ per cent. From these ratios of increase it has been inferred that the yield of the British coal-mines in the year 1900 will amount to 300,000,000 tons, and in the year 1950 to the vast quantity of 2,000,000,000 tons.

The quantities and values of "coals, cinders, and culm," exported from Great Britain to various countries during the year 1864, 1865, and 1866, are shown in the following table :

Exported to—	1864		1865		1866	
	Tons.	Value.	Tons.	Value.	Tons.	Value.
Russia.....	472,844	£206,260	488,169	£224,791	575,154	£281,099
Sweden.....	245,894	103,418	261,629	116,879	274,206	123,555
Denmark.....	593,282	242,942	545,373	242,731	696,781	327,229
Prussia.....	355,722	131,361	597,771	227,592	476,529	203,825
Hanse Towns.....	576,590	229,599	604,760	260,628	611,315	291,266
Holland.....	241,332	104,329	237,692	106,669	243,806	118,559
France.....	1,447,494	623,139	1,539,707	722,148	1,904,091	892,981
Spain and Canaries....	546,029	257,242	473,391	257,510	527,181	303,947
Italy—Sardinia.....	245,418	105,683	292,486	181,479	318,869	167,944
United States.....	302,763	129,470	197,401	118,430	184,107	83,901
Brazil.....	156,992	108,426	222,085	131,768	245,821	149,790
British India.....	364,038	201,611	312,283	195,667	436,299	251,172
Other countries.....	3,226,510	1,632,353	3,816,669	1,688,089	3,473,014	1,877,641
	8,909,908	£4,165,778	9,170,477	£4,427,177	9,916,244	5,084,009

France appears to be Great Britain's best customer for coal, and to be increasing her importations every year. Among the "other countries" referred to in the table, exportations in 1865 were: To Cuba 229,569 tons, to St. Thomas 65,974 tons, to British North America 171,876 tons, to British West India Islands, including British Guiana 130,317 tons.

The following table shows the values of the quantities of coal produced in the United Kingdom in various years within the past quarter of a century—calculated at 5s. sterling per ton at the pit's mouth:

	Tons.	Value.		Tons.	Value.
1843.....	31,500,000	£7,875,000	1860.....	30,042,699	£20,010,674
1850.....	50,007,000	12,500,000	1861.....	89,635,214	20,908,933
1854.....	61,661,401	16,166,850	1862.....	81,638,398	20,409,554
1855.....	61,453,079	16,113,257	1863.....	96,292,213	21,573,068
1856.....	66,645,450	16,663,862	1864.....	10,000,000	22,500,000
1857.....	67,894,707	16,948,670	18 5.....	91,631,615	23,657,8 2
1858.....	65,008,649	16,252,162	1866.....	98,998,409	21,749,017
1859.....	71,979,765	17,994,941			

The number of persons employed in coal-mining in Great Britain in 1865 is said to have been 300,000; and if the ratio of increase observed in past years shall continue, it is calculated that the under-ground working population in the year 1950 will be about twice the present population of British North America!

While it is admitted that there may come a time when the yield of coal from the existing collieries will not be equal to the estimated prodigious

demand of future years, the fact should not be overlooked that the indications of geologists respecting the localities where profitable coal workings may be expected, are not always to be implicitly relied upon. This is shown by recent discoveries in Shropshire, England, a new coal district having been opened up to mining enterprise, in a region where it was asserted no such deposit could be expected. Such is also alleged to have been, at least in one instance, the experience of explorers in Nova Scotia. There may be hope in another direction. It is asserted that the present method of consuming coal for manufacturing and household purposes, cause an average loss of 60 per cent. of caloric. If such be the case, it can scarcely be doubted that an anticipated scarcity will stimulate the ingenuity of inventors; and the mere smoke-consuming appliances may be so improved as to prevent the loss of so very great a percentage of the heat generated at so much cost; for if the estimate of the quantity of coal consumed in Great Britain in 1865 be correct, then it would appear that the heat arising from the consumption of over 51,000,000 tons of coal—i. e., 60 per cent. of the 85,461,038 tons consumed in that year, was wasted by escaping into the atmosphere.

COAL IN THE UNITED STATES.

In attempting to convey an intelligible idea of the extent of the coal-fields of the United States, a recent writer on the subject puts the case in this way: "The relative amplitude of the coal seams of our own and other countries may be made more appreciable by taking the amount of workable coal in Belgium as our unit; than that of the Britannic isles becomes rather more than 5; than that of all Europe $8\frac{1}{2}$, and that of North America 111."

	Sq. miles.		Sq. miles.
Massachusetts and Rhode Island		Iowa—Bituminous	24,000
—Bituminous	800	Missouri, do	21,000
Pennsylvania—Anthracite	470	Nebraska, do	4,000
Pennsylvania—Bituminous	12,656	Kansas, do	12,000
Maryland, do	550	Arkansas, do	12,000
West Virginia, do	15,000	Indian Territory—Bituminous ..	10,000
East Virginia, do	225	Texas, do ..	3,000
North Carolina, do	45	Oregon, do ..	500
Tennessee, do	3,700	Oregon—Anthracite	100
Georgia, do	170	Washington Territory—Bitumi-	
Alabama, do	4,300	nous, (estimated)	750
Kentucky, do	13,700	West of Rocky Mountains—Bitu-	
Ohio, do	7,100	minous, (estimated)	5,000
Indiana, do	6,700		
Illinois, do	30,000	Total	200,266
Michigan, do	13,000		

These coal regions contain an immense supply of fuel. The anthracite district, as compared with the bituminous areas, is insignificant, yet the workable deposit of the former is calculated to be 18,000,000,000 tons; which would yield 15,000,000 tons per annum for 1,200 years. The greatest bituminous coal seam known in the United States is the one in Western Pennsylvania, in the midst of which Pittsburg is situated; according to estimate it covers 8,600,000 acres, the upper seam of the area containing 53,516,000,000 tons. The actual yield of anthracite in 1845

was 11,532,732 tons; of bituminous, 11,324,207 tons; total in that year, 22,856,939 tons.

The progress of the coal trade of the United States is shown by the following statement of the quantities marketed during 46 years:

	Tons.	Increase.
1820 to 1830.....	869,190	....
1830 to 1840.....	6,281,197	.... 164 per cent.
1840 to 1850.....	19,373,429	.... 21 "
1850 to 1860.....	56,964,869	.... 19½ "
1860 to close of 1865.....	52,172,869	.... 8½ "
Total.....	135,121,489	

COAL MINES OF BRITISH NORTH AMERICA.

The area of the coal-fields of British North America has been variously estimated at from 5,000 to 10,000 square miles. Professor H. Y. Hind cites the following details:

1st. *Central Coal Field of Nova Scotia and New Brunswick*.—Area, 6,800 square miles; maximum thickness, 14,570 feet; number of seams of coal, 76; aggregate thickness of coal, 45 feet. The principal known coal beds are at the Joggins in Nova Scotia,—3½ and 1½ feet thick. The Grand Lake seam in New Brunswick is 22 inches thick.

2d. *Colchester and Hauts Coal Field, N. S.*—Area 200 square miles; coal seams, under 18 inches.

3d. *Pictou Coal Field, N. S.*—Area, 350 square miles; thickness of main coal seams, 37½ to 38 feet and 22½ feet, separated by 157 feet of strata. [A pillar of coal 36 feet high was sent from this region to the International Exhibition at London, in 1862, and one somewhat larger to the Paris Exposition this year]

4th. *Coal Fields of Richmond and Cape Breton*.—Area 350 square miles; productive measures cover 250 square miles; thickness, 10,000 feet; contains numerous seams of workable coal, the main seam is 6 feet 9 inches thick. Valuable coal seams occur also at Lingan and Bridgeport, one of which is 9 feet in thickness.

5th. *Newfoundland Coal Field*.—Two small coal fields exist on the Island; the thickest bed is about three feet.

Another authority has tabulated the workable areas in the Maritime Provinces thus:

	Sq. miles.
New Brunswick.....	1,000
Nova Scotia—Cape Breton.....	200
Pictou.....	350
Cumberland.....	250
Newfoundland.....	250
Prince Edward Island.....	150

COAL IN NOVA SCOTIA.

The most productive districts in the Maritime Provinces are those of Pictou and Sydney in Nova Scotia. The "main coal" in the Pictou district is 36 feet thick, at one point 38 feet. The coal seams of Sydney are of smaller dimensions.

The tables on pages 42 and 43 contain estimates of aggregate product of the coal fields of British North America, while the extent of the coal areas in the several Provinces is given above. But there are great discrepancies between statements; for, it has been "roughly estimated" by one gentleman of mining experience in Nova Scotia, that the future available supply of coal in that Province will not exceed 400,000,000 tons. While another gentleman, addressing the writer of this report, says:—"I have with considerable care calculated the available quantity of coal in the Cape Breton field, and feel certain that it cannot exceed 300,000,000 tons in beds of workable thickness, that is not less than 2' 10" or 3' 00" thick. The coal deposits in Nova Scotia proper, *that may be profitably worked*, are also very limited, and the product can hardly exceed 300,000,000 tons. Hence their great value, taken in connection with their accessibility, and lying principally on the direct line of commerce."

The following statement by Professor Leslie is submitted here, as the view of one of the highest authorities:—"The Albion Mines' beds are very extraordinary deposits; they form an exception to all the phenomena of coal in all the British Provincial coal regions. Nothing like them has been discovered in the Provinces. The thickest beds of Cape Breton, East Coast, are never over 12 feet, and usually under 9 feet: but we have one bed (the main seam) 38 feet 6 inches thick, of which 24 feet are good coal, and the rest partings of black shale and iron stone; and another bed (the deep seam) 24 feet thick, one half of which is good coal, the other half being poor coal and black shale in intermediate layers. The enormous quantity of coal here preserved can only be estimated properly by those who have been used to the vast operations on the grey ash part of the anthracite region, where the regular 30 feet vein yields at least twenty millions of tons to the square mile, after all deductions have been made."

The opinion of Principal Dawson is also valuable. He has said:—"A cubic foot of the Pictou coal weighs above 82 lbs., rather less than 28 feet being equal to a ton of coal; hence a square mile of this seam (the main seam) would yield in round numbers 23,000,000 tons." Allowing 12 feet of good coal for the deep seam, and 6 feet for the MacGregor seam, they and the main seam together contain 42 feet of good coal, a square mile of which would yield the enormous amount of 40,250,000 tons.

There are now 30 coal mines in operation in Nova Scotia and Cape Breton, which, according to returns from the Department of Mines, produced the following quantities in the respective years ending 30th September:

	1866		1865	
	Tons, round.	Tons, slack.	Tons, round.	Tons, slack.
Sold for home consumption.....	87,840	11,986	51,262	8,276
Exported to other B. N. A. Provinces....	95,077	11,588	44,558	8,008
Exported to other countries.....	378,711	16,804	509,775	80,980
Total.....	561,428	39,873	605,595	47,269

The Chief Commissioner of mines for the Province (P. S. Hamilton, Esq.,) has furnished the following figures, showing the quantity of coa

raised and shipped in Nova Scotia from 1855 to 1866, both years inclusive :

Years.	Tons.	Cwts.	Years.	Tons.	Cwts.
1855.....	216,338	8	1862.....	393,631	5
1856.....	239,934	7	1863.....	429,351	..
1857.....	267,808	17	1864.....	406,699	..
1858.....	289,618	..	1865.....	605,595	..
1859.....	267,496	..	1866.....	561,428	5
1860.....	304,129	..			
1861.....	334,545	15	Total	4,308,574	12

The mines to which the figures in the foregoing tables refer are situated as follows :

Chignecto Company, Cumberland County	Caledonia, Glace Bay....	Cape Breton*
Joggins.....	Clyde	do
Lawrence.....	Collins	do.
Maccan.....	Glace Bay.....	do
St. George Company.	Gowrie	do
Victoria.....	International	do
Acadia.....	Lingan	do
Albion.....	Matheson Little Bras d'Or	do
Bear Creek.....	Mira Bay...	do
McDonald and McKay....	Roach and McInnis.....	do
N. Scotia Coal Company..	Sidney.....	do
International	Port Hood.....	Inverness County.
Acadia.....	Richmond.....	Richmond do
Block House.....	Sea Coal.....	do do
Caledonia Cow Bay.....	New Cambleton.....	Victoria do

In the year 1864, 1865, and 1866, Nova Scotia imported as follows :

	1864. Chaldrons.	1865. Chald's.	Tons.	1866. Chald's.	Tons.
From Great Britain.....	8,100	...	5,819	1,206	481
Canada.....	...	...	308	...	...
New Brunswick.....	832	338	173	906	...
British West Indies.....	80	...	1,142	...	...
United States.....	843	172	1,052	2,527	...
	4,355	510	8,939	4,639	481

The exports in the same year were as follows :

	1864. Chaldrons.	1865. Tons.	1866. Tons.
To Great Britain.....	...	...	576
Canada.....	8,875	7,012	16,300
New Brunswick.....	5,208	6,079	16,733
Newfoundland.....	13,846	23,706	36,132
Prince Edward Island.....	6,846	14,022	14,678
British West Indies.....	2,188	2,218	2,028
United States.....	244,175	450,294	392,712
Spanish West Indies, &c	2,600	4,589	3,885
St. Pierre.....	258	1,985	2,206
	278,996	515,905	434,749

Cost of Working the Mines.—The Chief Commissioner in his Report for twelve months ending 30th September, 1866, shows the amounts ex-

pending in coal-mining operations by the various companies during the fiscal year to have been—

MINES IN NOVA SCOTIA PROPER.			
Victoria.....	\$575	New Cambletown	\$15,574
Macan.....	8,300	Sydney Mines.....	28,358
Chiegnecto.....	19,762	Lingan.....	13,020
St. George.....	8,208	International.....	5,621
Albion.....	38,975	Caledonia.....	58,483
Acadia.....	62,925	Little Glace Bay.....	28,242
Nova Scotia.....	4,275	Clyde.....	1,332
Bear Creek.....	601	Block House.....	11,954
German.....	4,054	Gowrie.....	31,021
Montreal and Pictou.....	2,215	Mira Bay.....	1,200
Miscellaneous workings.....	4,680	South Head.....	4,870
		Richmond.....	8,810
		Sea Coal Bay.....	208
MINES IN CAPE BRETON.			
Port Hood.....	19,480		\$377,951

The Commission makes the following remarks relative to the abrogation of the Reciprocity Treaty :

" Although there has been a falling off in the total quantity of coal produced from our mines, the large number of applications made for licenses during the year evinces the interest which still prevails relative to this department of our mining resources. Within the year 376 applications have been made for licenses to search, embracing about 1880 square miles. Of this area 84 applications, covering about 420 square miles, have been for ground never previously applied for. Again, the number of licenses to work taken out during the year comprises 73 square miles, a larger extent than has ever been applied for within any previous year. This last fact indicates an increased degree of confidence in the Nova Scotian coal deposits from those who have been most engaged in exploring them.

" As to the decrease in our coal product for the past year, the cause of that must be patent to every one. The abrogation of the so-called Reciprocity Treaty with the United States, and the imposition, in the latter country, of a somewhat heavy duty on coal, has of course, had its damaging effect upon our coal trade, as the United States was our largest consumer. Still the effect has not been so great as might reasonably have been expected ; and the aspect of affairs at the close of the first fiscal year after the abrogation of the Treaty, is the very reverse of discouraging. On reference to tables in the appendix, dropping fractions, it will be seen that the total sale of coal during the year amounted to 601,302 tons, or 51,551 tons less than those of the last previous year. Yet the shipments to the United States show a decrease of 145,744 tons. This falling off, it may reasonably be presumed, is not wholly to the abrogation of the Treaty. The great demand for coal during the late war, and the depressing effects of the war upon productive industry in the United States, gave a great stimulus to our coal trade, and one which did not cease with the close of the war. Again, when the abrogation of the Treaty was imminent, a further stimulus was afforded to that trade, efforts being made to force as much coal as possible into the United States market before a duty should be imposed upon it.

" When we look to the other side of the account—to the direction in which our coal trade has increased—the prospect is very cheering. The proprietors of collieries, having a check put upon their trade with the United States, have been looking about them for new markets. The home consumption has increased, as might have been expected, in the natural course of things—the increase amounting to about fifty per cent. within the year. What is more important, the exports of coal to the neighboring North American Colonies has increased by 64,099 tons. These figures, however, do not sufficiently explain the matter. The annual export of coal to the neighboring Colonies has more than doubled within the past year, and present indications warrant the belief in a rapid and continued increase in this trade. In the prospect of negotiations for a revival of the Reciprocity Treaty, these facts are worthy of note. Should existing commercial relations with " other countries " remain as they are, I see no

reason to doubt that, by the close of the incoming year, the sales of Nova Scotian coal will have attained as great an amount as they would at the same period had the Reciprocity Treaty continued in operation."

COAL IN NEW BRUNSWICK.

It is to be regretted that so little is known respecting the coal-fields of this Province. The subjoined figures indicate a considerable importation for home consumption, the exports consisting chiefly of the peculiar products of New Brunswick. The Albert mine produces a highly bituminous coal (*Albertite*, as it has been designated), the opinion being entertained that it is a mere *deposit of asphalt*; it is now profitably worked. Professor Baily is of opinion that the bituminous shales are mis-named, that they are neither "shale" nor "schist," but a true "cannel coal;" unlike the Scotch cannel coal, however, to which they are supposed to be analogous, they leave a very large residuum.

The following are the imports of coal into New Brunswick during 1864 and 1865:

	1864, tons.	1865, tons.
From United Kingdom.....	16,997	17,207
" Canada	21	20
" Nova Scotia	10,813	8,428
" Bermuda	267	223
" United States	8,164	5,235
" Prince Edward Island.....	....	68
Total.....	31,262	31,166

The aggregate coal and shale exported in 1864 was 18,011 tons—16,609 tons going to the United States. In 1865, 1,232 tons of bituminous coal were exported; 17,464 tons of Albert coal, and 1,242 tons of shale;—the *Albertite* and shale being nearly all for the United States.

COAL IN NEWFOUNDLAND.

Available information throws no light upon the coal mines of this island. The imports of 1865 amounted to 35,509 tons, viz., 25,494 tons from Nova Scotia, and 9,799 tons from the United Kingdom. In the same year there were 663 tons exported: including 151 tons to the British West Indies, 266 tons to the French West Indies, and 146 tons to Brazil.

PEAT FUEL.

During the past year or two the preparation of peat fuel by various mechanical processes has been prosecuted both in Europe and America. A peat bog is henceforth to be deemed a mine of wealth; and already there are numerous companies in the United States more or less busy in arranging for, or already producing the prepared fuel. So far has the business been carried in the neighboring Republic, that peat literature is an established fact; consisting not of pamphlets merely, but including a weekly newspaper solely devoted to expounding and expanding the theory of the new calorific agent.

It will be seen from the following computation how productive a peat bog may be: A cubic foot of crude peat taken from a well-drained bog

weighs from 50 to 55 lbs.; condensing and drying reduces it to about one-fourth of that weight. An acre is estimated to yield wet or dry condensed peat as follows:

2 feet deep,	1,000 to	1,200 tons of wet;—	250 to	300 tons of dry.
3 "	3,300 to	3,600 "	825 to	900 "
6 "	6,600 to	7,200 "	1,650 to	1,800 "
10 "	11,000 to	12,000 "	2,750 to	3,000 "
20 "	22,000 to	24,000 "	5,500 to	6,000 "

In this estimate 40 cubic feet of wet peat are allowed to a ton, while a ton of dry fuel requires for its production 160 cubic feet.

It is claimed for peat fuel that the purposes to which it can be economically applied are as varied as those of wood or coal. For domestic purposes it is superior to coal; except that it needs to be replenished oftener than coal, and less frequently than wood. It burns in open grates like cannel coal; and its advantage as a locomotive fuel is that it burns with great freedom, gives intense heat, and throws off no cinders.

In a work, entitled the "Industrial Resources of Ireland," published by Sir Robert Kane, in 1844, that gentleman showed that the precious Baltic iron, for which at that time £15 to £35 sterling per ton was readily paid, could be equalled by Irish iron, smelted by Irish turf, for £6 6s. per ton. It has been found by French engineers that the comparative cost of working pig iron with different fuels is as follows:

	£	s.	d.
1 ton, with wood charcoal, was.....	4	11	0
1 ton, with coal coke	2	16	0
1 ton, with raw coal.	2	15	4
1 ton, with purified peat charcoal.....	2	4	10
1 ton, with crude peat (condensed).....	1	10	0

Peat fuel is used at the Harwich Iron Works (England), and it is said to be probably the best at present made in any considerable quantity, being condensed by machinery, and dried or charred in a kiln. Fuel so prepared was tested against coal at these works, and the results of experiments during two days were these: "Coal got up steam to 10 lbs. pressure in two hours twenty-five minutes, and to 25 lbs. pressure in three hours; peat fuel got up steam to 10 lbs. in one hour ten minutes, and to 25 lbs. in one hour thirty-two minutes. Twenty-one cwt. of coal maintained steam at 30 lbs. pressure for $9\frac{1}{2}$ hours, while $11\frac{1}{4}$ cwt. of peat fuel maintained steam at the same pressure for 8 hours."

Many successful experiments have been made in the United States, which must be passed over with this mere allusion. The machinery in use in that country for its production is of two kinds—one designated the wet working, and the other dry working; mills on the former principle cannot be worked in the Northern States or Canada during the winter months, while the latter might be kept in operation throughout the year. Canada has a deep interest in the peat question; for, while geologists are unanimous that common fossil coal is not to be found in the Province, there are extensive beds of peat, from which supplies may be drawn to supplement the wood fuel which is being so rapidly consumed. Practical men have not been inattentive to the movements going on elsewhere. Perhaps less enthusiastic and enterprising, they are fully as patient and

persevering as their more demonstrative neighbors. After a year or two of patient, careful experiment, James Hodges, Esq., of Montreal, has perfected machinery for the manufacture of peat fuel, which is different in principle and operation from the peat mills of the United States, or rather combining the wet and dry methods. Mr. Hodges has had his fuel tested, and the results were most satisfactory. He says :

"Chemical analysis shows that peat, weight for weight, contains only three-fifths of the heating properties of coal, and it is therefore the opinion of many that it is little more than half as valuable for raising steam. Now this is all very well in the closet, but as practice shows that even with the best constructed furnace, thirteen per cent. only of the heat-giving properties of coal are utilized, there is still a pretty good margin for peat, and a possibility that by being able to economize a greater per centage of the heat-giving properties it contains, to make it do double the work of coal."

A ton of Peat-fuel occupies a space of about 70 cubic feet. A cord of wood weighs 4,000 lbs., and occupies a space of 128 cubic feet. An experiment was made at the Montreal Puddling and Rolling Mills, the result of which was stated by the Manager as follows :—

"The peat fuel was tested in an ordinary puddling coal furnace, and no alteration or adaptation was made, although this might have been done, and a large saving of fuel effected.

"The pig iron used was Dalzellington brand A, a strong iron soft and very tough. The quantity of peat fuel consumed was nearly double the weight of coal used on ordinary occasions.

"In my opinion, and with the present furnaces, by mixing peat with Pictou coal, we could produce iron equal to the best charcoal iron, and at no more expense than the present cost of our iron, the quality of which is equal to the best refined English iron.

"With the furnaces as at present constructed we could not use peat alone. The combustion of the gas given out not being sufficiently perfect to produce the heat required for puddling to advantage, resulting in waste of fuel, and additional labor to the men.

"If we could get the extra price for the quality of iron turned out, there would be no doubt about the result; but, I fear this could not be obtained, as almost any description of iron seems to suit this market, so long as it can be sold cheap.

"I send you samples of the iron made at the trial, which I consider equal in quality to best charcoal iron, and superior almost to any description of iron imported."

A number of experiments made with locomotives on the Grand Trunk Railway have demonstrated the superiority and economy of the new Peat-fuel over wood; and the proprietor of the Caledonia Iron Works, in this city, states that for giving toughness to the metal used for car-wheels, and for uniformity of chill, the Peat-fuel is unsurpassed.

The following is a statement of work performed by Engine No. 158, burning peat fuel with a mixed train of 18 cars, from Montreal to Prescott Junction 112 miles. Prescott Junction being 260 feet higher than Montreal :—

The train consisted of.....	16 freight cars
	1 passenger car
	1 van
Total.....	18 cars.

Weight of freight.....	320,000 lbs.
Do. of cars.....	845,000 "

Total weight of train, cars and freight.....	665,000 lbs.
Distance run.....	112 miles.
Lost time made in running between Vaudreuil and Matilda, 75 miles	110 minutes.
Total weight of peat fuel consumed, 3½ tons.....	7,450 lbs.
Value of fuel at \$3¼ per ton.....	\$11.65
Fuel consumed per mile run.....	66½ lbs.
Cost of fuel.....	10 cents.
Number of car miles run.....	2,016 miles.
Fuel consumed per car mile run.....	369 lbs.

Cost of drawing a car containing over 10 tons of freight, a distance of one mile, a little over half a cent.

The engine was in the same condition as when used for burning wood, with the exception of the blast nozzels, which were enlarged from 2½ inches to 2¾ inches diameter, or 34 per cent.

PETROLEUM AS FUEL.

Experiments have been going on in Great Britain and the United States to test the applicability of Petroleum as fuel, in conjunction with superheated steam—the trials so far having been made on stationary and locomotive boilers. Some experiments were recently made in Canada, and will no doubt be repeated, when certain chemical experiments with the crude oil are completed. The success which has attended the attempts on both sides of the Atlantic, seems to warrant those who have been engaged in the investigations in claiming that the use of Petroleum as fuel for locomotives may yet result in great saving to Railway Companies; while the effect of its introduction into war and merchant steamships may be of such a nature as to admit of the vessel continuing three times longer under steam than if coal were used.

The obstacle to the "*Great Eastern's*" making a voyage to Australia or India, was at first purposed, was the necessity involved of carrying 10,000 tons of coal; with Petroleum for fuel that ship might carry thrice more than if coal were used. It is possible, therefore, that the great steamship may yet go to India or to Australia, and realize the idea of her projector. The Cunard steamship "*Persia*" is 3,500 tons burthen—1,400 tons being occupied by coal for the transatlantic voyage; such being the case, it requires little reflection to comprehend of how much value the successful use of petroleum fuel would be in ocean navigation. The direct and indirect saving would be immense. The introduction of Peat and Petroleum to supply the want of coal, and to reduce, if not to entirely stop, the consumption of wood, would be an incalculable boom to Canada; while it would bring into requisition the vast and increasing quantities of Petroleum, for which there is at present no adequate outlet. The quantity of Canadian Crude Petroleum likely to be available in 1867 has been estimated as follows:—

Stocks on 31st December, 1866.....	43,000 brls.
Yield at Petrolia (omitting small wells).....	275,000 "
" at Bothwell and Oil Springs.....	10,000 "
	<hr/>
	328,000 brls.
Estimated home consumption.....	143,474 "
	<hr/>
Surplus.....	184,526 brls.

DEBT AND FINANCES OF MARYLAND AND CINCINNATI.

MARYLAND.

The funded debt of the State of Maryland as it existed on the 30th September, 1866, amounted in gross to \$13,549,796 53; but deducting amounts cancelled and the amounts on which the Baltimore & Ohio Railroad Company are liable and pay current interest, the actual debt appears to be only \$7,514,413 43 as shown in the following table:

Purposes for which issued.	Date of act authorizing.	Rate of interest.	Principal when due.	Amount outstanding.
Baltimore & Ohio RR.....	Ch. 104 of '37	5 1/2	'45 or '50	\$24,000 00
" " (sterling).....	" 386 of '38	5	1890	2,328,888 89
" " (conv't).....	" 41 of '47	5	1890	948,500 00
Chesapeake & Ohio Canal.....	Ch. 241 of '34	6	1870	2,000,000 00
" " (sterling).....	" 386 of '38	5	1885	80,000 00
" " (conv't).....	" 386 of '38	5	1890	1,955,555 56
" " (sterling).....	" 41 of '47	5	1890	1,814,000 00
" " (conv't).....	" 386 of '38	5	1889	1,082,222 21
" " (conv't).....	" 41 of '47	5	1889	273,285 00
Baltimore & Susque. RR.....	Ch. 241 of '34	6	1870	1,000,000 00
" " (sterling).....	" 302 of '37	3	1890	315,000 00
" " (conv't).....	" 386 of '38	5	1890	26,100 06
" " (conv't).....	" 20 of '39	6	1890	429,587 81
Annap. & Elk. RR.(st'g).....	Ch. 386 of '38	5	1889	60,000 00
" " (curr'cy).....	" 12 of '39	6	1889	95,420 25
Susque. & T. W. C. (st'g).....	Ch. 416 of '38	5	1865	\$802,000 00
" " (conv't).....	" 41 of '47	5	1865	215,022 00
East. Shore RR.(sterling).....	Ch. 386 of '38	5	1889	1,000 00
" " (curr'cy).....	" 323 of '39	5	1890	28,554 25
Bounties to Volunteers.....	Ch. 15 of '64	6	after 1874	501,000 00
Total amount on September 30, 1866.....				\$13,549,796 53

From which deduct as follows:

Issues under Chap. 241 of 1834 to Chesapeake & Ohio Canal & Baltimore & Susquehanna R.R. amounts cancelled from sinking Fund.....	\$1,121,107 00
Also, issues under Chap. 386 & 396 of 1838 to Baltimore & Ohio Eastern Shore & Annapolis & Elkridge Railroad, and Chesapeake & Ohio Canal, converted into currency and cancelled under Chap. 285 of 1864.....	1,636,897 21—\$2,757,994 21
	\$10,791,802 32

Also amounts on which Baltimore & Ohio R.R. Company pay the interest, viz.:

Sterling Debt, interest payable in London.....	\$2,328,888 89
Converted Debt, interest payable in currency.....	948,500 00—3,277,388 89

Amount of Debt for which interest is provided by State..... \$7,514,413 43

The sterling bonds issued under Chap. 416 of 1838, of which \$802,000 are outstanding, were made redeemable at the pleasure of the State after Jan. 1, 1865. These bonds are payable in London, and in view of the present high rate of exchange, the comptroller recommends the cancellation of the existing issues and their replacement by a new series of bonds.

Against the above debt the State holds productive and unproductive property to the estimated value of \$25,049,739 85, accounted for as follows

Bank stock.....	\$91,160 00
Railroad stock (Balt. & Ohio \$500,000, and Washington Branch \$550,000).....	1,050,600 00
Turnpike stock.....	15,000 00
Baltimore & Ohio R.R. stock, interest payable in London.....	\$2,372,322 22
do do do converted.....	901,456 00—3,273,778 22
Bonds of Susq. & Tidewater Canal companies.....	1,000,000 00
Stock of Ches. & Delaware Canal Co.....	50,000 00—1,050,000 00
Dividend bond of Balt. & Ohio R.R. Co.....	10,000 00
Bond of Baltimore & Ohio R.R. Co.....	260,000 00—270,000 00
Due from incorporated institutions, collectors, sheriffs, inspectors, registers, auctioneers, &c.....	1,182,264 95
Total productive property.....	\$6,932,097 18

Bonds of Ches. & Ohio Canal Co	\$2,000,000 00
Loan to Potomac Co. \$90,000, and interest to 1895	43,280 00
Stocks, viz.: Potomac Co \$120,444 44; Ches & Ohio Canal \$5,000,000; Annap. & Elk R.R. \$99,378 41; Md & Del. R.R. (ch 303 of 1860) \$125,945; Eastern Shore R. & (do.) \$112,700; Phil. & Balt. Central R.R (do) \$35,000; Nanticoke Bridge Co. \$4,383 33; Ches. Steam Towing Co. \$25,000	5,729,101 18
Bonds installed and not installed, exclusive of interest	10,000 00
Due from Ches. & Ohio Canal Co., for interest	10,317,064 13
do Penitentiary for premium and interest	5,097 86
Stock in Elkton Bank	10,000 00
Dividend Bond No. 58 Balt. & Ohio R.R.	60 00
Total not now productive	\$18,617,642 67
Total productive and unproductive	\$25,049,739 85

Probably about a third of this property now unproductive owned by the State will ultimately become productive. But even as the matter stands at the present time the productive property is nearly equal to the whole net debt. The sinking fund at the close of the fiscal year 1866 amounted to \$238,761 71, of which \$61,582 99 were received in that year. The aggregate valuation of real and personal property in 1866 was \$286,530,838 34, on which the following taxes were levied for the service of the year:

Amount of levy for direct tax @ 5 cents per \$100	\$143,365 42
do do do bounty tax @ 10 do do	284,530 84
do do do school do 15 do do	422,796 26
Total amount of levy for all purposes	\$850,562 52

A new assessment law (chap. 157, of 1866) went into operation in 1866 under which largely increased values are expected to be realized, on which the levy for 1867 will be laid. Under this law assessors will make their returns to County Commissioners and Boards of Control and Review, whose duty it will be to equalize the rates etc.

The revenue of the State is derived from general and specific taxes and licenses, and dividends and interest on investments. The total collections (including \$840,695 91 from sales of stocks owned by the State, and smaller sums from other sources) for the year ending September 30, 1866, amounted to..... \$3,325,507 94

Balance in the Treasury, October 1, 1865	432,926 00
Total means for the year 1865-1866	\$3,758,433 94
Total disbursements	3,390,617 58

Balance in the Treasury, September 30, 1866 \$367,816 36

The principal items of income and expenditure were as shown in the following statement:

RECEIPTS.		DISBURSEMENTS.	
General tax on property	\$740,194 26	Civil officers, salaries	\$23,764 72
" " corporations	60,065 43	Legislature	70,104 07
" " on stocks	50,708 04	Judiciary	60,343 41
	\$850,967 73	Militia	8,746 61
Special taxes & duties	83,034 68	Asylums and hospitals	46,475 00
Licences	462,133 23	Penitentiary & house of refuge	33,000 00
Charter tax of one-fifth passenger receipts on Washington Br. R.R.	459,368 50	Home of Friendless	11,000 00
Dividends & interest	509,407 49	Colleges, academies &c.	44,750 00
Sales of stocks & bonds	840,695 91	School tax to counties	372,914 73
Loans	44,400 00	U. S. surplus revenue—annual grant to school fund	34,079 36
Sundries	75,495 40	Agricultural college	21,000 00
	\$3,325,507 94	Public works, subscrip's to	167,832 75
Balance Oct. 1, 1865	432,926 00	Public debt, repayments	33,241 97
		" interest, &c.	707,042 94
		Temporary loans repaid	895,033 64
		Bounties	737,196 91
		Antietam National Cem'ty	10,000 00
		Sundries	124,071 54
		Balance Sep. 30, 1866	367,816 36
Total means	\$3,758,433 94	Total disbursements	\$3,758,433 94

The ordinary revenue for 1866-67 is estimated at \$2,010,000, and the ordinary expenditures at only \$2,007,600. The expenditures last year included unusual appropriations and extraordinary demands. The principal items are as follows:

For tax paid General Government	\$371,300
Exchange for paying interest on sterling bonds (excess over previous rates).....	560,000
Bounties to volunteers, including appropriations for their relief	3,850,000
State's subscriptions to railroads.....	213,000
Total.....	\$4,985,000

CINCINNATI.

The public debt of Cincinnati, as stated by the City Auditor in his report for the fiscal year 1865-66, amounted to \$3,203,000. Of this amount \$1,805,000 is guaranteed the interest by certain beneficiaries (railroad and canal companies and the water works) leaving the actual debt to be provided for from taxation \$1,398,000. The following list describes the several issues:

Purposes for which issued.	Principal		Interest		Amount
	Issued.	Payable.	Rate.	Payable.	
Funding city debts*.....	Apr. 1, '45	Oct. 1, '71	5	Apr. & Oct.	\$100,000
Little Miami R. R. † §.....	May 1, '45	Nov. 1, '85	5	May & Nov.	50,000
Whitewater canal † §.....	May 1, '44	Dec. 31, '85	6	June & Dec.	100,000
Funding floating debts.....	Var., '47-48	May 1, '97	6	May & Nov.	30,000
Hillsboro & Cin. R. R. † §.....	Var., '47-48	May 1, '97	6	May & Nov.	149,000
Eaton & Hamilton RR. † §.....	Var., '50-51	Aug. 1, '81	6	Feb. & Aug.	98,000
Covington & Lex. RR. † §.....	Oct. 1, '51	Jan. 1, '81	6	Jan. & July.	150,000
City Hall lot.....	Apr. 1, '50	May 1, '70	6	Jan. & July.	100,000
Ohio & Mississippi RR. † §.....	Var., '51-52	Jan. 1, '82	6	May & Nov.	60,000
Funding floating debt.....	Var., '53-54	Jan. 1, 1900	6	Jan. & July.	600,000
Marietta & Cincln. RR. † §.....	June 1, '54	June 1, '84	6	June & Dec.	83,000
Wharf property.....	Var., '55-56	Nov. 1, '85	6	Jan. & July.	122,000
Park* (in \$1,000).....	Var., '55-56	Nov. 1, '90	6	May & Mar.	230,000
" * (one bond).....	Mar. 17, '58	Mar. 17, '88	6	May & Nov.	229,000
Episcopal burying ground*.....	Mar. 17, '58	Mar. 17, 1908	6	Mar. & Sep.	40,000
Bonny†.....	Nov. 1, '60	Nov. 1, '90	6	Mar. & Sep.	100,000
".....		Nov. 1, '90	6	May & Nov.	34,000
".....		July 27, '78	6	Jan. & July	100,000
".....		July 21, '72	6	Jan. & July	50,000
Water works §.....	Var., '47	May 1, '85	6	May & Nov.	8,000
".....	Apr. 15, '49	Apr. 15, '95	6	Apr. & Oct.	200,000
".....	Apr. 15, '50	Apr. 15, '95	6	Apr. & Oct.	100,000
".....	July 1, '51	Oct. 15, '90	6	Apr. & Oct.	100,000
".....	June 15, '53	June 15, '90	6	June & Dec.	75,000
Schools†.....	Nov. 1, '55	Nov. 1, '85	5	May & Nov.	30,000
".....	Aug. 20, '45	May 1, '85	6	May & Nov.	25,000
" lots and houses†.....	Var., '61-64	Jan. 1, '90	6	Jan. & July	96,000

Against this indebtedness the city holds assets and property as follows:

Bonds of railroad companies.....	\$1,050,000
Interest paid by city and refundable by railroad companies.....	706,500
United States Government for money advanced	18,437
Ohio and Mississippi Railroad Company, rent of wharf property	150,000
School property sold.....	3,000
Total.....	\$1,927,937
Market houses and public landings.....	\$2,500,000
School property.....	919,854
Fire department property	598,205
City property (miscellaneous).....	1,734,603
City water works	2,509,000—
Total assets and property.....	\$10,170,599

Marked (*) are payable in Cincinnati; (†) in New York, and (§) in Philadelphia; and (§) interest guaranteed.

The population and assessed valuation of property in the city, and the rate and amount of taxes, has been quinquennially as follows:

	Population of city.	Assessed valuation.			Taxation.	
		Real estate.	Personal.	Total.	Rate.	Amount.
1830.....	28,831	\$3,157,675	\$1,048,529	\$4,206,204	1.30	\$51,435
1835.....	31,000	4,314,080	1,394,542	5,708,622	1.90	107,445
1840.....	46,382	4,731,390	1,440,105	6,171,495	2.45	151,301
1845.....	74,699	6,157,890	2,015,880	8,173,770	3.00	245,311
1850.....	115,438	34,194,430	8,668,298	42,862,728	1.70	728,666
1855.....	140,000	60,385,332	24,994,948	85,380,280	1.48	1,262,597
1860.....	161,044	61,428,917	30,532,468	91,961,375	1.74%	1,606,231
1865.....	200,000	67,610,611	63,135,332	130,745,993	2.29	3,060,000

—which levy includes the State and county taxes, and the taxes levied for war purposes.

The tax levy of 1866 for the service of 1866-67 is estimated as follows:

Schools.....	mills .225	Work House.....	mills .060	Com. Hospital.....	mills .060
Superior Court.....	.015	Light Fund.....	.070	Fuel Fund.....	" .100
Interest.....	.140	Street clean'g, &c.....	.100	Gen. purp. Police & }	700
Sewerage.....	.050	House of Refuge.....	.040	Fire Dep's & Inf.....	

Aggregate on all city accounts..... 1.540

The following table exhibits the sources and amount of receipts and the amounts expended on city accounts, the amount of debt outstanding, and the receipts and expenses on account of schools at quinquennial periods:

	City Account.			Amount		
	Receipts.	Total.	Expend't.	of City.	Com. Schools.	
1830.....	\$33,337	\$73,645	\$73,146	\$97,100	\$14,733	\$9,183
1835.....	18,865	89,432	73,737	148,658	12,095	13,069
1840.....	46,445	73,713	69,325	725,000	24,966	22,004
1845.....	88,263	139,696	153,081	1,230,189	32,550	29,426
1850.....	222,464	423,795	448,951	1,750,000	67,466	50,529
1855.....	716,946	902,667	589,468	3,181,000	209,225	167,538
1860.....	998,621	1,166,587	754,559	3,752,000	232,134	191,714
1865.....	938,306	1,371,221	1,221,954	3,840,000	344,637	273,865
1866.....	1,310,322	1,776,416	1,922,363	3,203,000	465,376	333,470

OUR FOREIGN COMMERCE—BALANCE OF TRADE.

The Bureau of Statistics, having its machinery now in working order, is furnishing commercial statistics so promptly as to be of real value to the trade of the country. Heretofore, we have had no official account of our foreign trade until eight or nine months after the completion of the fiscal year; under the present arrangement a monthly return of the commerce of the United States is published four or five weeks after the completion of the month. These statistics are of important practical value, in ascertaining the course of foreign exchanges and the comparative traffic in the several classes of products.

It has been very generally supposed, from the extent of our imports during late months, that we have accumulated a large adverse foreign balance, which would call for heavy shipments of the precious metals; the April report, however, shows that, so far as respects the first quarter of the year, this opinion is erroneous. The returns, which we presume are complete from all the ports, show an important excess of exports

over imports. We compile from the document the subjoined statement of the imports and exports (inclusive of specie and bullion), for each month of the first quarter, reducing the total exports entered in currency value to gold, on the basis of 136, which was about the average price of gold for the three months :

IMPORTS, GOLD VALUES.

In January.....	\$27,831,899
February.....	35,740,444
March.....	81,082,119
Total imports.....	\$94,754,462

EXPORTS.

In gold values—

January.....	\$5,335,018	
February.....	5,240,345	
March.....	3,950,822	
Total.....		\$14,525,590

In currency values—

January.....	\$39,999,449	
February.....	41,509,083	
March.....	43,834,106	
Total.....	\$125,342,638	
Equivalent in gold at 136.....	\$92,163,704	
Total gold value of exports.....		\$106,689,294
Excess of exports.....		\$11,934,832

It will be seen from this summary that while the imports for the three months have reached the large total of \$94,754,462, the exports, reduced to gold value, have exceeded the importations by nearly \$12,000,000. These figures take no account of the movement of stocks and bonds, which is now more than ever an element of importance in the adjustment of our foreign balances. Upon this unrecorded movement it is impossible to present any approximate estimate. There can, however, be no hazard in assuming that, during the quarter, we exported a larger amount of securities than we imported. During the last quarter of 1866, the high prices of stocks caused by speculation induced the return of a considerable amount of railroad stocks from London; but the fall in prices during the early weeks of this year, together with the cheapness of money at London, caused a brisk return movement; and it is a fact generally acknowledged among our foreign bankers that while comparatively no Five-twenties have been sent home this year, an important amount has been sent to London, Frankfort and Paris. Really, therefore, the balance in our favor, for this period, must exceed the twelve millions accruing on the purely commercial account above presented.

It is not to be overlooked that a large portion of the exports were consigned products, which may or may not have realized the value at which they were invoiced. Included in the exports is 288,000,000 pounds of cotton, valued at \$90,430,000. As this averages only 31½ cents per pound, including Sea Island, it may be assumed that this large portion of the exports has realized the value at which it was entered.

On the other hand, it must be considered that in the imports there is also a certain amount of consigned goods, a very small percentage of which is likely to have realized near the invoiced value under the extreme depression of the spring trade; so that our indebtedness is probably below the amount at which the imports were entered.

Those who have judged of the volume of our exports from the movement at the Northern ports have been misled in their estimate as to our surplus products. While the shipments from this port have been unusually light, those from the Gulf ports have more than compensated for our deficiency. Within three months we have exported from all the ports products worth in gold value \$106,689,294, which is at the rate of over \$425,000,000 per annum, a total which has never before been equaled. The unusually large amount of our exports, however, is due rather to the prevailing high prices than to an increase in the quantity of commodities, and is therefore a matter for but qualified gratulation.

At the prices current in 1860, the quantity of cotton shipped within the first quarter of this year would have been worth only \$31,250,000, or equal to \$43,500,000 in our current currency values; while our shipments of breadstuffs and provisions would have realised, at the prices then ruling, but little more than half their late value.

The large extent to which we have paid for our purchases of foreign products by Southern produce is deserving of attention. For the purpose of showing what proportion of the quarter's exports consists of Northern products and what Southern, we present the following classification:

NORTHERN PRODUCTS.

Breadstuffs	\$6,131,334	
Provisions	6,817,104	
Other products	18,690,519	
Total Northern products		\$31,638,957

SOUTHERN PRODUCTS.

Cotton	\$90,529,981	
Tobacco and manufactures of do	2,487,845	
Rosin and Turpentine	894,195	
Spirits Turpentine	201,962	
Sugar and Molasses	89,748	
Total Southern products		\$93,703,681
Total domestic exports		\$125,342,638
Proportion of Northern products	25 per cent.	
“ Southern “	75 per cent.	

It is thus apparent that while we have exported only \$31,638,957 of Northern products during the quarter, the shipments of Southern amount to \$93,703,681, or about three times the amount of the former. It is of course usual, during the first quarter of the year, when the cotton crop is going forward rapidly, and the suspension of interior navigation curtails the shipments of breadstuffs, for the Southern exports to gain upon the Northern; but never has the disproportion been so great as is here shown. Before the war, the South generally contributed about three-fifths of the foreign exports; but, during the past quarter, it has

forwarded three-fourths. The following comparison shows the amount of Northern and Southern products exported in the year 1860 :

NORTHERN PRODUCTS.

Breadstuffs and Provisions.....	\$45,271,850	
Other products.....	118,462,186	
Total Northern products.....		\$158,734,036

SOUTHERN PRODUCTS.

Cotton.....	\$191,806,555	
Tobacco and m'frs. of do.....	15,906,547	
Sugar and Molasses.....	440,210	
Rosin and Turpentine.....	1,818,238	
Spirits Turpentine.....	1,916,289	
Rice.....	2,567,399	
Total Southern products.....		\$214,455,238
Total domestic exports.....		\$378,189,274
Proportion of Northern products.....	42½ per cent.	
“ Southern “.....	57½ per cent.	

The foregoing figures show that notwithstanding our purchases of foreign goods have been confessedly large, yet we have been far less deficient in the means of payment than is popularly supposed. The quantity of our surplus has as stated above been less than in former years, yet high prices have compensated for the diminished supply. During the nine months ending March 31st, we shipped cotton valued at \$143,000,000, which is 12 millions more than the value of the entire cotton export of 1858. These facts may furnish an antidote to the croakings of the alarmists who are making themselves unhappy over our “excessive importations.” The payments of about nine millions of coupons upon Five-twenties held in Europe and the maturing of importers’ acceptances upon their spring purchases, occurring contemporaneously, have produced just now a demand for specie for the settlement of foreign balances; but there are no reasons for supposing that this movement will be of extraordinary dimensions, or that the year’s shipments of gold will exceed the average of former periods.

ON THE COLLECTION OF REVENUE.*

BY EDWARD ATKINSON.

In the following essay, I propose to discuss the methods by which the Government of the United States may collect a revenue sufficient for its wants with the least injury to the productive power of the people. The advocates of an excessively high tariff were in a majority in the recent session of Congress, and would have carried their measures, had it no

* An essay read before the Economic Section of the American Social Science Association, of Boston.

been for the persistent opposition of the minority. I am, however, well satisfied that a considerable portion of the majority voted as they did in deference to the supposed wishes of their constituents, and not because they approved the proposed law, as it was reported by the Committee of Ways and Means. It is quite evident that the whole controversy must be re-opened at the next session of Congress, and it therefore becomes the duty of the press to endeavor to enlighten public opinion by clear statements of the fundamental principles upon which the laws for the collection of revenue should be based.

I know not how clearly the controversy may have been conducted in former times, when protection and free trade were prominent in the political contests. In those days I was an ardent advocate of protection, having been educated in that school, and never having been led to doubt its wisdom. But I had begun to doubt, when the disturbing element of the war came in, and by common consent the Morrill tariff was enacted. Whether this was the best method of meeting the wants of the day or not, need not now be considered. Suffice it to say, that the country accepted a high tariff without argument, and as a war measure. It may fairly be said, that the men who are under forty years of age have never had their attention called to the fundamental principles which must, in the nature of things, underlie the respective theories of protection and free trade, by any real discussion of such principles in the newspapers. Few men begin to have any ideas upon the subject, that are drawn from their own experience, until they are at least thirty; and, during the past ten years, it has been treated mainly as if all men had real knowledge upon it, when, in fact, there is no subject so important about which men know so little.

The arguments of the *Tribune*, and other papers upon the side of protection, are addressed to those who are already convinced, and seem to the uninstructed mind to be founded upon the idea that a tariff is something good in itself, a measure which it would be wise for a community to adopt, even if they had no need of revenue. On the other hand the arguments of the *Evening Post* and other free-trade papers are seldom addressed to those who need elementary instruction, but generally to men who are supposed to have well-grounded ideas upon the subject.

The truth is that our country has such boundless resources, as yet but partially developed, as to have made it easy for any one possessed with ordinary intelligence and industry to get a good living under any system of revenue laws; and mistakes in such laws, injuring but few seriously, have not compelled the attention of the whole people to the methods requisite for their correction. A little irritation, rather than any real check to prosperity, has caused the enactment, first, of a free trade, and then of a protective policy, causing fluctuations and temporary embarrassment, but never forcing the great mass of the people to give close attention to the matter. Under the pressure of our present debt and the existing system of taxation, it is to be feared that the time has come when the people will be forced to learn wisdom by the hard teachings of adversity.

In the collection of revenue, the Government simply takes a portion of the annual product of the country for its own use, that is to say, secures to itself a portion of the result of each man's labor or effort. The method adopted is to impose a tax either under the name of "internal revenue" or of "tariff" upon the commodities consumed by the people. Hence

arises the axiom, that "the consumer pays all taxes," an axiom very likely to mislead, unless qualified by the statement that consumption depends upon production. If each person worked for himself alone, his own raising food, making his own clothing, and never exchanging the result of his labor or effort for that of another, he could only be reached by the tax-gatherer by being required to give up a portion of his product. It is production alone which yields revenue either to the Government, or to the capital by which production is aided and rendered greater; and it is by the increase of production only that we can bear the burden which the consumption or destruction of the war has imposed upon us.

To allege that the consumer pays all taxes leads to an utter absurdity, unless qualified by the statement, that the consumption of one commodity, not produced by the consumer, is only rendered possible by such consumer producing or aiding in the production of some other commodity which he can give in exchange for it; and it matters not to him whether his proportion of the taxes is levied upon the article which he consumes, let us say upon his tea, or upon the article which he produces, say upon his wheat. In either case, he simply gives to the Government a certain portion of the result of his labor—he either pays a higher price for his tea or he has less money from his wheat wherewith to purchase tea; but, if he had not produced at all, or had not by the use of his capital aided or caused some one else to produce, he would have had neither tea nor wheat, and could therefore have paid no tax.

The problem therefore is so to levy the taxes as not to impede production. It will be maintained hereafter, that capital can only be taxed through its income, without causing great disaster, and that the income of capital is a certain share of the product of labor; and therefore, in one sense, the income itself is a tax levied upon labor by capital. If this proposition can be maintained, then the tax levied by Governments upon the income of capital is ultimately a tax upon production, or the result of labor.

In this connection it becomes interesting to know who are the capitalists and who are the laborers, though I do not mean here to intimate that there is any natural antagonism between the two. On the contrary, there is no finer example of the real harmony of interest in the universe than the law so well enounced by Bastiat: "In proportion to the increase of capital, the absolute share of the total product falling to the capitalist is augmented, and his relative share is diminished; while, on the contrary, the laborer's share is increased both absolutely and relatively."

If there is any natural antagonism between capital and labor, then a man must often be his own antagonist; for many men, I may say most men, are both laborers and capitalists. The common laborer who owns his tools is to that extent a capitalist as much as the mill-owner running 20,000 spindles. He who works the spade with his hands is no more a laborer than he who directs the spindles with his head. Each is working for the general good, although his own aim may be selfish; for one is adding to the abundance of the food which we eat, and the other of the clothes we wear.

It is only when the Government interferes with natural laws, and, discarding the only legitimate object to be considered in the imposition of taxes, undertakes, under the name of revenue laws, to give a bounty to

certain interests, that antagonism between labor and capital begins, and this antagonism is more properly between a class and the mass of the people than between labor and capital.

I have said it becomes interesting to know who are the laborers and who are the capitalists in the common use of those terms, and we may approximate to this by considering the number of persons in the United States who pay a tax upon an income of over six hundred dollars per annum, upon which point I have obtained the following statement from Washington.

TREASURY DEPARTMENT, OFFICE OF INTERNAL REVENUE, }
WASHINGTON, February 7, 1867.

SIR.—In reply to your letter of the 31st ult., requesting a statement of the "total number of persons paying an income tax, and the amount of income represented," I have to say that the total collections returned on income for the first six months of the current fiscal year amount, at present, to \$47,413,075 99. Full returns from a few districts for those months have not yet been received. Of this amount the sum of \$20,678,035 10 was returned on income over \$600, and not over \$5,000 per annum. \$24,972,677 88 on income over \$5,000, on excess over \$5,000, and \$1,762,363 00 on income from dividends, and addition to surplus funds of Banks, Railroad Companies, etc.

The amount of income represented by the above tax is \$698,534,741. The total number of persons assessed for income on the annual list for 1866 as returned by the Assessors of 221 Collection Districts is 458,157. A few unimportant districts are yet to be heard from.

The receipts from income for the current fiscal year will probably not exceed \$50,600,000; and full returns from all Collection Districts will, doubtless, show that it was paid by not more than 465,000 persons.

Very respectfully,

THOMAS HARLAND, Deputy Commissioner.

MR. EDWARD ATKINSON, Boston, Mass.

It thus appears that, out of thirty-six million people, less than half a million have a surplus above six hundred dollars a year. It follows that the great majority spend all they earn; and if their cost of living is raised by heavy taxes, their wages or earnings must be raised also. It would then appear certain that any artificial stimulus given to any one branch of industry, by means of a bounty granted under the name of protection, would soon cease to be a benefit even to the protected interest—such bounty ultimately resulting in a rise in wages equal to the bounty imposed.

I shall here be met by the question, Is not a rise in the wages of labor a benefit to the laborer? And I answer, Certainly not, if such rise is in consequence of the increased cost of living, and not the result of increased ability to produce on the part of the laborer. This question would not be asked if the function of money, in which wages are paid, was more clearly understood. If money is the end for which we labor, then any policy which will cause the rate of wages to be high is to be advocated as the best; but if money is simply an instrument by which we measure the result of one man's labor, when we compare it with the result of the labor of another, or a commodity in which we store up in a convenient form a portion of the result of our efforts, in order that we may at some future time command the equivalent service or labor of another, then it is not the amount of money or wages, but the service which those wages, or that money, will command, which is the end for which we work; and we

may readily find that low wages are better for the laborer than high wages—that they may yield him more immediate comfort, and a larger surplus to take the form of capital.

Upon one of the largest railroads in this country, the principle has been established, that the wages of common laborers must be equal to the cost of one barrel of flour per week; or, in other words, the directors have discovered, that flour is a better standard by which to measure the value of the time of a common laborer than paper money, and that the various commodities which a common laborer must have, are gauged by their relation to the value of one barrel of flour per week. Or, to state the proposition in another form, that if each laborer were engaged in the production of flour, at the rate of one barrel per week, he would, in exchange for the flour, be able to procure the exact amount of shelter, clothing, and other articles of food which he needs, and which are sufficient to induce him to labor.

Now what matters it to that laborer whether the value of a barrel of flour be expressed at eighteen dollars in paper, or thirteen dollars in specie, either of which sums would represent a high rate of wages, if the barrel of flour, or the eighteen dollars, or the thirteen dollars will only procure for him a bare shelter and subsistence?

Flour has lately been eighteen dollars per barrel, and the rate of wages on that railroad eighteen dollars per week. Let us suppose flour reduced to eight dollars per barrel, and all other commodities reduced in the same proportion, but that the wages of the laborer on that railroad are ten dollars per week; can he not then save two dollars per week at the low rate, where he could save nothing at the high rate? Has not the lower rate a higher value to him?

I believe this is precisely the difference existing between the position of the skilled artisan of England and that of the skilled artisan in this country at the present time. In England the rate of wages is nominally much lower, but a suit of strong fustian clothing can be purchased for one pound or five dollars. Beer costs three half-pence a glass, or three cents. Meat is not higher than in this country, and house rent is less; and, notwithstanding our great natural advantages, skilled laborers are said to be rapidly returning to their homes in Europe.

What we want is an abundance of the things which money will buy, not abundance of what is called money.

Is the dry goods dealer rich, when he has no cloth upon his shelves, even though he have a hundred yard-sticks?

Is the grain dealer rich, when his lofts are empty, even though he have a hundred bushel-baskets?

Is the grocer rich, when he has no sugar or salt, but only a counter covered with pound weights?

Is the shipwrecked mariner rich, if flung upon a barren rock with a bag of gold, but no food or water?

Are the United States rich, when they are ceasing to produce as many yards of cloth, as many bushels of grain, as many commodities as they formerly did, in proportion to their population, because they have 900,000,000 paper dollars wherewith to measure the value of the decreasing cloth and grain and commodities?

To return from this digression. It has been proved that there are not

more than 465,000 people who pay an income tax; let us admit that 135,000 avoid payment who are liable, and we have 600,000 heads of families; multiply by 5 and we have 3,000,000 people out of 36,000,000, who have a surplus, or who may be called capitalists in the ordinary use of the word. It would be interesting to know how many of the lobby-members, so called, who have been or may hereafter be in Washington to influence legislation upon the Tax and Tariff Bills, will represent the 3,000,000 who are capitalists, and how many the 33,000,000, who are not.

Yet the latter are the producers, to a far greater extent than the former, and therefore are the tax-payers to a far greater extent. Again I must state that I might imply no natural antagonism between laborer and capitalist; it is the law of God that all interests are harmonious; it is only our ignorance which produces antagonism. Neither do I impute to all the lobby-members purely selfish motives, or a desire to secure their own ends at the cost of the general interest. I only wish to point out, that there is a great preponderating mass of industrious laborers for whom no lobby-members will appear, who may not now be able to influence legislation, and who may now be unenlightened, but upon whose comfort and prosperity unjust laws may press heavily, and whose instinct, if not whose reason, will cause them to sweep from power the men who, even by mistake, shall oppress them with special laws, by which there shall be added to the oppression of the taxes a system of bounties to special interests yet more oppressive than the taxes themselves.

It has been said that no great abuses were ever reformed by the voluntary acts of legislators: all great reforms have been accomplished, either by the pressure of public opinion or by the revolutionary acts of the people; and most, if not all, of these reforms, have consisted simply in removing the impediments which law-makers have placed in the way of the natural development of the people. To establish justice is the function of law-makers, and only so far as they believe justice requires the enactment of laws giving a direction to labor which it would not otherwise have taken, can protective or bounty laws be defended.

I am satisfied that justice to the whole people never required such laws; but, since they have been enacted and have caused our industry to be directed from its natural channels, while justice requires the ultimate repeal of all such laws, it equally requires that such abrogation shall be reached by slow and cautious measures, and with fair warning to all who have been induced to employ or invest capital in consequence of their having been enacted. The capital of the community being the fund from which wages are paid, it is of equal, perhaps of greater importance to the laborer than to the capitalist, that capital should not be destroyed by sudden changes in the laws. Because we have not accumulated as much capital as we might have done, under a natural system, is no reason for destroying by sudden changes what we have accumulated.

We may be sure, that, on whatever platform the members of any Congress may have been elected, they will enact such laws as the opinions of their constituents shall demand. It is given to but few men to become leaders and to mould opinions: the average intelligence of the people dictates the policy of those who govern, or are said to govern; and upon the enlightenment of the people depends, with rare exceptions, the wisdom of the legislators. There is not in the present Congress a single man who

has proved his ability to lead public opinion in regard to the systems of protection and free trade by showing first that he could impress upon them an intelligent conviction of the truth of his premises. The Morrill Tariff, so called, and the subsequent acts, are purely empirical measures which will not bear the test of investigation upon any theory whatever.

Mr. Wells's bill was not claimed, even by himself, to be anything but a temporary device, well adapted to meet the abnormal condition of a paper currency—a condition which renders any permanent legislation for the collection of revenue practically impossible.

His report, on the contrary, contains an amount of information such as has not before been placed before the people, and statements of facts which are indispensable to sound legislation. His convictions are evidently changing somewhat, and I believe that a man of his ability, and with the opportunity which he has for observing the evils of legislation for special interests, cannot long avoid being a convert to the doctrine that free trade and not protection is the proper basis from which to enact a tariff law for the collection of revenue.

I do not mean to assert, that there are no men in Congress capable of leading and moulding opinion upon these matters, but the whole attention of those who are thus able has of necessity been given to questions which, up to this time, have been of more vital importance; and it is well that it is so, even if a temporary check be given to our material prosperity. Far better the rule of a Republican party, true to freedom but mistaken in its revenue policy, than of a sham Democratic party, false to freedom, but placed in power by means of correct views of the revenue question.

There are three fundamental premises which must be fully understood before any correct deductions can be reached upon the subject of collecting revenue.

First, That all taxes, either direct or indirect, are levied upon and collected from production—production being the result of labor; and that labor will be more or less effective according to the amount of capital by which it is aided or supplemented.

Second, That "tariff" is another name for "tax," and that a tax of any kind can only be more or less of a burden upon the people who pay it, and cannot in the nature of things be a benefit to them.

Third, That money is not an end, but only a means to an end, and that even gold and silver money is only useful up to a certain amount, which will define itself, if left to natural laws; from which it follows, that a country may be guilty of as great folly in the enactment of such laws as shall cause an accumulation of specie within its borders more than sufficient for its use, as the miser is guilty of when he hoards gold in a strong box.

Before we consider the first proposition, it may here be well to define what is meant by labor. Its technical meaning has come to be simply physical effort. I use it in the larger sense, in which is included any effort, either physical or mental, by which the gifts of God are moved into form for human consumption. Economic writers have sometimes made the statement that all that we do is to move things. We move the soil and we move the seed, but Nature *gives* the harvest. We move the wood and the stone, forming the dam, and we move the wheel into position; but Nature, or the God of Nature, *gives* the water and the law of gravitation.

And when we have moved things into what we call permanent form, they become capital—such as houses, or mills, or improvements upon land, or gold and silver money; but still, effort, movement or labor must be applied to keep the mills in motion, to work the land or the mines: capital renders labor more effective, causes it to yield a larger product, but can never take its place.

It seems but simple justice, that the capital of the country should bear the largest share of the taxes; but how can it be reached? An arbitrary division is impracticable, and a tax upon the income of capital is simply a share of the product of labor, which product the use of the capital has increased, not thereby displacing the labor. Labor, after all, gives the result; and a tax upon the income of capital is simply a tax upon the labor or effort which capital has caused to be put in motion, and thereby rendered more effective.

Is not the income or profit of capital a charge made by capital for the service which it renders in causing labor to be more productive? When capital took the form of a spinning jenny with eight spindles, and displaced the old spinning wheel of one spindle, it rendered service to labor by making it possible for labor in one hour to produce eight times as much as it did before. For the service of one hour of the spinning jenny of eight spindles, the laborer may pay to the owner the product of four spindles, and yet have four times as much left for his own use as he would have had by continuing to use the single spindle. The business being very profitable, the capitalist will continue to build spinning jennies until the demand is fully supplied; but, if you take a portion of his income by a tax, the rate at which he will build spinning jennies is retarded, and his share of the product is maintained much longer at a high point; so that ultimately the labor will have paid the tax in the form of a higher rate of profit upon capital than it could otherwise have commanded.

Capital is no use to the owner, when hoarded: it must be put into some form in which it can render a service to labor; and, as wealth or capital accumulates in a geometrical ratio, while population or labor only increases in an arithmetical ratio, the rate of interest or profit which capital can command must be continually less and less, if the whole matter is left to natural law. On the other hand, labor may continue to work wearily at the spinning-wheel of one spindle, until supplemented by capital in the form of a jenny, and will do so, unless some one, by an effort of invention or superior industry, provide such a machine.

It is a well understood rule, that the rate of interest or profit which capital can command of labor, for its annual use, is in the proportion which accumulated capital bears to the number of persons desiring its use; and their desire is in proportion to their intelligence and education. This law which regulates the profits of capital is fully proved by the high rates of interest always prevailing in new countries, and the low rates in old countries in which the accumulation and use of capital are both fostered, as in England.

Now since the avails of the taxes are mainly consumed, and not added to the aggregate of accumulated capital; and since the rent, interest or profit of capital is maintained, even by the imposition of an income tax, at a higher rate than it otherwise would be; and since by this retardation of the accumulation of capital, labor is not supplemented by as many or

as good tools it would otherwise be, it follows that taxation in any form, even that of an income tax, is mainly a burden upon labor, and not upon capital, which is the result of labor already expended.

The only manner in which accumulated capital could therefore be reached would be by an arbitrary division of such capital at a given time, in whatever form it existed, whether as money, mills, improved lands or railroads, etc.; but such arbitrary re-division of capital is impracticable upon any principle of equity, and to prevent even this being an injury to labor, even if it were practicable, it must be proved that the recipients would maintain it as accumulated capital, and not immediately consume it or what it would purchase.

I think it cannot be denied that all taxes are collected from the product or result of labor of each and every year, and are paid mainly by those who produce, and not by those who live upon the income of capital already accumulated; but I am very far from excluding from the class of laborers or producers the owners of capital who give their time and attention to the use of their capital; they are among the most effective laborers and the largest producers.

Neither do I intend to deny that capital can be reached by taxation, but only to define the usual effect of taxation. It is proved by the records of history that in all cases where the Government of a country has by taxation taken a portion of the capital of the people, the result has been disastrous. This will be evident to any one who fully appreciates the fact that the accumulated capital of the country is the fund from which all wages are paid, and when taxation has exhausted the income, and begins to impair the principal, of course nothing but injury can ensue to those who are employed and who receive wages.

Capital can be reached by an arbitrary but unequal assessment upon the principal, and the passage of the act by which paper money was made a legal tender, was of this nature. The effect of this act was to seize upon a portion of every debt due; it was a confiscation of a portion of the capital of every creditor; and should have been called "An act for the collection of a forced loan." As I have elsewhere said, it may have been necessary, but I think that although it was a tax upon capital, it has thrown a heavier burden upon labor than if it had not been adopted and the product of the country had been secured for war purposes in some other manner.

Again, the imposition of a tax upon incomes may not retard the accumulation of capital if it induces greater economy in the recipient of the income. If the capitalist, in consequence of the income tax, saves the amount by abstaining from luxurious expenditures, then the amount of the tax never falls upon labor; there is doubtless a certain amount of economy induced by our existing income tax. I have elsewhere stated that if fairly adjusted, an income tax is one of the most expedient methods for obtaining revenue, because it is very far removed from labor, and the retardation of the accumulation of capital is very slow and almost imperceptible.

It is absolutely necessary to discuss this branch of the question, although it may be urged that there is danger of arousing prejudice against capital. I do not share in any fear of this; our native population is too intelligent, and too well informed to cause any serious danger to be feared from such prejudice. If this were not so, our town-meeting, instead of being the

most economical organization for administering municipal affairs and imposing taxes, would be the most lavish and wasteful. I suppose there are very few town-meetings held in this vicinity which might not be easily controlled by the residents of the towns who pay no property tax.

I have never seen any serious danger to property, even from the large foreign element in our population, so long as that foreign element acts in and through the town-meeting. In the cities, it is doubtless an element of danger until enlightened by more than five years' residence. But if we consider this matter fully, we find that the city organization is much less democratic than the town-meeting, and we have the best proof possible of the success of absolutely democratic institutions, when we prove that, by means of the town-meeting, which is absolutely democratic, we have the safest, purest and most economical management of municipal affairs, including taxation.

The drones of society, much more than the paupers, are the greatest burdens upon the community; using neither their hands nor their heads, making no effort by which they render a service or add a single product to the general stock, they waste the substance of the people. If the property of such men could be reached by heavy taxation, it might well be justified; but they are comparatively few in number, and must be treated as one of the results of imperfect education and of the low state of our civilization.

The vampires who gamble in time contracts in stocks, and under the name of "corners" steal the contents of each others' pockets, or pluck their silly victims, might well be assessed; but, as their capital commonly consists of brass, the result of the assessment would hardly pay the cost.

The avaricious man who gives his whole time and thought to the accumulation of capital, is working for the benefit of the community, as he is adding constantly to the tools by which production will be increased, while the spendthrift is an injury to the whole community, because he is, while merely spending his income, really wasting the proceeds or results of other men's labor. Hence the great and permanent injury to the country from extravagance of the present day, following the sudden and easily acquired fortunes which have resulted from the depreciation of the currency. Every man who is to-day securing an income by methods which do not tend to increase the aggregate production of the country or otherwise render a service to the people, and who, by means of an inconvertible paper currency, is producing changes of value in commodities not warranted by the relations of supply and demand, is stealing the product of other men's labor. The people have, by authorizing the law by which paper money was rendered a legal tender, created a tool with which skilful men can filch from the products of their labor without rendering an equivalent service.

This law may have been necessary, may have been a part of the destructive need of the war, and may have saved the people from worse evils; but let us call it by its right name; it was simply a law for the collection of a forced loan. The legal-tender note, or lawful money, as it is called, does not represent real money. Real must contain, *in itself*, two properties: first, *measuring power*; second, *actual value*. Coined money possesses measuring power by virtue of the stamp impressed upon it by the mint, which stamp is simply a guaranty that each coin contains a certain number of grains of gold or silver; but it also possesses actual

value because it represents the past labor or effort of the men who have been engaged in discovering, opening and working the mines and separating the metals from the ore.

Paper money possesses measuring power by virtue of the declaration of the Government that it is a dollar, and possesses value only because the people have confidence that it will sometime be paid in coined money. The legal-tender note is really the representative of a forced loan, and as such should be paid in coin or converted into bonds bearing interest as soon as possible; it represents not value or the result of past effort or labor, but debt, or the promise of payment from the result of future labor.

One of the injuries to the community arising from the use of inconvertible paper money as a measure of value, is in the fact that as it has no uniform value in itself and for itself; every one who receives it seeks to get rid of it as soon as possible; this leads to the willingness to pay a little higher price for articles of real value and stimulates exchange or speculation in commodities. From this arises a greater apparent profit to the individual exchange of, or speculation in commodities, rather than in their production, hence the community suffers. Production supports the whole community, including those who conduct the necessary exchanges, and when the number of the latter is greater than the absolute need, the producer is supporting an unnecessary number of agents, and the rents of stores and shops rise in an undue proportion. The business portion of the community are simply agents acting for the great mass to exchange their products and their warehouses are simply their tools, both useful when they promote cheapness of exchange, harmful when they increase the cost of exchange above the absolutely necessary point. The desire of every man to rid himself of paper money, or of bonds of the Government which pay him no interest, stimulates an unnatural exchange, advances prices, causes rents in cities to rise, repels young men from productive labor, and increases the number of agents or business men. Hence the absolute need of a steady withdrawal of legal-tender notes, and the return to coined money which has value in itself, or its representative, paper money convertible into coin on demand.

During this withdrawal, what is called business will suffer; men who are in debt may fail, but real prosperity will increase, because, by this very process, production will be enhanced. Hundreds of persons will be thrown out of employment, and forced to leave their business of exchange and seek employment in the fields or the workshop. Much real hardship will ensue; because, if we have broken a great economic law in declaring that to be real money which is not money, the innocent must suffer with the guilty, precisely as in the case of the infraction of a great moral law, the criminal causes misery and suffering to others than himself.

The wisdom and statesmanship of the legislators will be tested by their success in solving this difficult problem: in causing the change from fictitious to real money to be accompanied with the least disaster possible. If an unwise or mistaken course is followed, production may for a time be decreased, and the difficulty sought to be avoided may be aggravated.

As the return to specie payments must be accompanied by a steady reduction of the prices of all commodities to a uniform or specie stand-

ard; and as it is evident that the general interest demands the enforcement of this return by the gradual but steady withdrawal of all the legal tender notes or evidences of a forced loan, it would seem fit and proper that Congress should permit the community to return to a specie standard voluntarily, by rendering legal all contracts made in specie. Why should the Government arrogate to itself the right to make contracts payable in gold, and not permit the people, whose servants the members of the Government are, to do the same thing.

If such a law were passed, all contracts made on long time would be made payable in gold, and one of the great impediments now existing to the erection of houses, mills, and the like, and to the construction of railroads, would cease; and all contracts for the purchase or sale of foreign commodities would be made payable in gold (as many now are, without any warrant in the law, but dependent upon the honor and integrity of the merchants for their fulfilment, and not upon the law).

I have elsewhere said that gold will flow to, or remain in, that country which has a use for it. The product of our mines is \$100,000,000 a year, and if we could retain this sum annually for four or five years, it would furnish all the currency we require. We certainly shall not retain it until we have a use for it. The Government has a use for gold, and therefore demands it in payment for duties and gets an ample supply. If the people begin to use it, as they will when specie contracts are legalized, then it will remain here; the demand will induce the supply.

And when it shall become evident that to conduct transactions upon a gold basis is better for the purchaser, since when the standard is uniform there can be no additional profit charged by the seller for the risk of variation, will not the use of legal tenders partially cease? What will they then be? No longer money, but bonds bearing no interest, which the holders will insist upon converting into bonds bearing interest, even at a low rate. They may depreciate, or in common language, gold may rise, but then the more inducement to the community to conduct its transactions in gold and not in currency. The more they depreciate the more will be the anxiety to convert these into bonds bearing interest, instead of the unwillingness to do so now manifested.

I believe that the passage of a law for the enforcement in specie, of contracts made payable in specie, would hasten the general return to specie payment, and that it would be one of the natural methods, because it would simply remove a legal obstacle now standing in the way of the free action of the people. Such a law would permit old-fashioned people, who prefer stability and a small profit, or a fair return for service rendered—to gambling and speculating—to conduct their business in such manner as would secure their desire.

(By speculation I mean rash transactions based on chance, not the wise foresight of the true merchant who buys heavily to meet a probable scarcity, thereby equalizing prices and rendering a valuable service to the community.)

Another illustration of the fact that taxation is paid chiefly by labor, and not by capital, may not be amiss.

Let us suppose a community of five men settled upon a given tract of land, near which is a city ready to take any farm product at a uniform

price. The men have each an equal amount of capital, represented by a spade. A, B, C and D raise just enough to feed themselves, and to procure in the city clothing and fuel, E, however, by working harder, and with more intelligence, and by denying himself some portion of the food and clothing which the others consume, is enabled to exchange a portion of his product for a horse and plough. He has now more capital, but only enough for his own use. The next year he has surplus product enough to procure another horse and plough, but cannot use it himself; he therefore offers it use to A, B, C and D, and the one who will give the largest proportion of his crop, say D, gets it—the competition is four to one, and the rent high. The next year E has not only the surplus from the horse and plough used by himself, but the rent from D, and would purchase two more ploughs, and in such case he would have three ploughs to let; there would be four competitors, and it would be the best use of his capital: the competition would not be as great as when it was four for one, but it would still be four for three; the aggregate rent would be larger, but the relative rent smaller. But now comes in an income tax, and takes from E such portion of his farm product as would buy one plough; and the officers of the Government consume such product—the avails of the tax. E can only purchase one more plough, making two instead of three to let: the competition is four to two, instead of four to three, as it would have been in the absence of the income tax. C and D bid high, and supplement their spade labor at the cost of a heavier share of their product; E gets not as large an aggregate, but a larger relative rent for two than he would have for three; C and D are poorer than they would have been, and A and B remain spade laborers.

In the absence of the income tax, B, C and D would each have had a plough at a low rent, and A would have been the only spade laborer. The next year all would have had ploughs, and some other use for capital would have had to be found—thus inducing enterprise. Then would come the natural time for E to become an employer, and to hire men from elsewhere to come in and use his ploughs, since no one will hire them and his market will still take all farm products at a uniform price—the inhabitants of the city having increased as fast as the farm products increased.

I have defined capital to be the surplus result of labor, not consumed, but put into a form for further use. The bonds or evidences of debt of the country must not be confined with the capital of the nation; they may represent capital to an individual, but to the community they can only represent a burden.

The utter ignorance of this economic law was not long since exhibited by the publication of a pamphlet entitled, "A National Debt a National Blessing." The same ignorance is constantly to be observed in the Congressional debates upon the currency, which would be amusing, if they were not dangerous, we may however feel tolerable assurance that there is wisdom enough to resist any further inflation. Those who propose the issue of more legal-tender notes are rapidly losing the confidence and even the respect of the community, and must soon cease their dangerous effort, unless they wish to be held responsible by an outraged community for attempting to steal from labor its reward, and to be esteemed not only wilfully ignorant, but intentionally criminal.

The absurd dogma that a national debt is a national blessing hardly needs notice, yet it may not be amiss to give a word to it. During the war a portion of the productions of the country were taken and used. For what? For destruction not only of the products thus taken, but of other accumulated capital. What was given for such productions? An evidence of debt, the interest, and finally the principal, of which must be gathered from the future production of the people. Who holds these evidences of debt? A portion of the people who are thereby enabled to live without work, on an income derived from property, which, while it represents property to the owner, represents only destruction of capital to the community.

Suppose a town wishes to build a school-house, and it employs one man who cuts and frames the timber, makes the bricks, and erects the building, receiving while thus employed his food and clothing, and at the completion of the building an annuity of three hundred dollars as long as he lives, on which sum he can live without further work; and suppose that he chooses so to do. The town has the service of the school-house in which its children are taught, and thereby made more effective in their work; their productive capacity is so much increased by the service rendered them by the school-house as to give them six hundred dollars more per year than they would have made without it, then their gain is three hundred dollars above the annuity. But suppose the school-house is destroyed by fire the day it is finished: the annuity remains, and the man who receives is as much a burden as if he were a pauper or a cripple; he lives by the labor of others, consuming only and not producing. Such is the evil of debt incurred for the purpose of war. Yet active, destructive war may be, as was our late war, a vast benefit; because it destroyed slavery, a condition of passive but destructive war of the most injurious kind, far worse in its effects than the active war by which it was destroyed.

The result of slave labor has not been, and cannot be the accumulation of any large amount of capital. It yielded a certain product at the cost of the natural fertility of the soil,—witness the testimony of one of the most intelligent southern writers, Dr. Cloud of Alabama, who says, "If the country or the climate has been cursed in our appearance as planters here, it has been in the wasting system that we introduced and continue to practice." Then after defining the great natural advantages of Alabama, he continues: "If this condition of things be fact, why is it that we find so many wealthy cotton planters, whose riches consist entirely of slaves and worn-out plantations?"

There is a great prejudice against having our bonds held abroad, but I think this is a very ignorant prejudice. It is much better that the bonds should be held out of the country than in it, if the holder intends to live upon the interest. Let me illustrate:

Suppose a community of six persons, five of whom are employed for a year in draining a swamp, while the other one raises the food on which the six live, he having capital in the form of farm-tools, horses, etc. For his services in raising food, he receives a bond of \$1,000, the interest on which is to be raised by a tax on the whole future product of the six; but the capitalist who holds the bond can live on the interest, and refuses to produce anything more: then have not the five to support six? On the other hand, the capitalist sends the bond to another community, and pro-

cures for it a thousand dollars worth of better tools than he had before, and continues to work: the interest is still only sixty dollars, but there is the product of six plus the product of the improved tools to assess the tax upon. The interest is the same but the product greater.

If we send our bonds to Europe, and get for them, as will hereafter be proved, five parts good tools, or of the comforts of life to one part of luxuries, we make a good bargain, and are much better off than if we retained them here, and, by so doing, released a part of our own people from work.

But a tax of a given amount, even for interest on bonds, may be either a burden too grievous to be borne, or it may be slight in its effect, the given amount being the same in each case, upon which point some further remark will be made hereafter.

The greatest progress of a country will be secured by application, on the part of the people, of the greatest number of hours of labor consistent with health and education, to the production of raw materials, yielded by the soil or the mines, or in preparing such raw materials for use by the process called manufacturing. We may be sure that God has indicated the direction in which such labor can be expended with the best results, by giving to different countries different conditions of soil and climate; and that to interfere with the natural distribution of labor in accordance with these great laws, as has been done by all so-called protective legislation, is to cramp civilization and prevent the spread of Christianity throughout the world.

Commerce is the most effective agent of civilization, but protection, if carried to its legitimate result, would cause each nation to satisfy, as far as possible, all its desires within its own limits, and there could be no foreign commerce.

To illustrate this point. The Kaffir of South Africa was formerly a savage warrior; he is now a peaceful shepherd in whom some of the desires of civilized life have been developed. How has this come about? By the desire of the civilized men of Europe and America for a kind of wool which the climate and soil of South Africa will produce. It happens that, upon the hills of South Africa wool can be raised with no labor except that of the shepherd to tend the sheep and the annual shearing, but the wool is absolutely useless in that climate. On the other hand, wheat, tobacco, butter, cheese, ironware and tools cannot be raised or made there at all. What has happened from these conditions? The first settlers tempted the Kaffirs to become shepherds by offering them good bread, butter, cheese, iron and other luxuries hitherto unknown to them, but yet real necessities for the full development of the manhood in them. Europe and America took the wool and gave the wheat.

But now the United States say, or rather Ohio says, we can raise all this wool. True; but instead of expending only the labor of a Kaffir who can do nothing else, we must build great barns to protect our sheep in our cold winter, we must employ farmers to raise hay and roots to feed them; and we must expend two days labor of a civilized man, where the half civilized Kaffir need expend but one—yet we ought to be protected in our labor: we, the educated, civilized men of Ohio and Vermont and Massachusetts need to be protected against that poor, half civilized creature—we are afraid of him. God has given him more sunshine and a better position than ours, and, if he advances, we shall be degraded.

Suppose Europe were equally afraid of the poor Kaffir, and protected itself against his wool, what would become of it? No one would give him wheat or any other commodity for it; he cannot eat it or wear it, and it is the only thing he can raise; if he cannot sell it, he must cease work, cease progress, relapse into barbarism—all the missionaries in creation couldn't save him. Yet if protection against the Kaffir's wool is good for America, it is good for Europe and ought to be adopted. Is it not true, then, that the logical result of protection is to cramp civilization and check the spread of Christianity?

But, says the advocate of protection, when driven from the prohibitive doctrine, we only want such incidental protection as will come from a revenue tariff. The answer is that there can be no such thing as protection in a true revenue tariff, because just so far as a tariff stimulates the home production of the commodity upon which the duty is imposed, just so far it prevents the importation of that commodity, and therefore it so far fails to yield revenue. A true revenue duty must always be at a rate less than the one which will carry the cost of the commodity so high as to induce its production at home.

There can, it is true, be no tariff, except one that simply imposes duties on commodities which cannot be produced at all in the country which imposes it, without its affording some stimulus to the production of articles which would not otherwise be produced, and this is the protection incidental to a tariff. But it is a fault in the tariff as a revenue measure, and not a merit.

Take the case of the Kaffir's wool again. Ten cents worth of wheat will buy of him a pound of wool. The Ohio farmer can furnish ten cents worth of wheat, we will say, by one hour's labor; but a pound of wool will cost him two hours labor, or twenty cents.

Now, if you put a revenue duty of eight cents on the wool raised by the Kaffir, it will still come; as its total cost in the United States will still be only eighteen cents. The Ohio farmer will still make wheat to exchange for it, only we shall get less wool for the wheat; but, if you impose a duty which involves any incidental protection or any other kind of protection, it must be over ten cents so as to raise the cost of the Kaffir wool to over twenty cents. Suppose you put the duty twelve cents, then the Ohio farmer is protected, and can make it for less than its cost plus the duty; the Ohio farmer gives up raising wheat, but expends twice the labor on wool; commerce with the Kaffir ceases; woollen clothes cost double; the Government has no revenue; the civilized man has put his two hours labor against the Kaffir's one, and by means of protection has won the game; the Kaffir relapses into barbarism, and that is the end of it: but is the civilized man any better off than he was before? He has now to pay a direct tax for the support of the Government, and has less time to work it out than he had before. And this leads us to the second point, viz., that a tariff is a tax under another name, and that a tax of any kind can only be more or less of a burden upon those who pay it.

I may be more stupid than other people, and, at the risk of being considered so, I must say that the common arguments used in regard to a tariff, by the advocates of what is called protection to American industry, would lead an ignorant man to suppose that the Government was conferring a great favor upon the people by making the commodities which

they wish to purchase of foreigners cost them more than the foreigners are willing to sell them for.

The first question to be asked is, what is the object of a tariff? To which question I think very few men would make the one answer which is complete, viz., to raise a certain amount of money with which to pay the expenses of the Government. Very many would qualify this answer by adding, "To raise money, and to develop the resources of the country." But let us look a little deeper. Would any nation impose a tariff of duties, if it had no expenses to meet, if it had no money to raise? The answer is simply, no, of course not. Why not, if by a tariff the resources of the country will be developed? Can any one reply to this?

Next, let us examine into the nature of the expenses of Government. They are, 1st, The support of the army and navy. Are they productive? Not at all: their purpose is war, which is destruction. 2d. Interest on the national debt. Is it productive? No; it represents only the destruction of capital caused by the late war. 3d, The pension list and the expense of the civil service. Are they productive? Not at all; the pensioners are still representatives of the destruction of war, and the civil officers of the Government, while necessary to give organization and production, do not themselves add anything to the aggregate of material product, but simply consume a portion of it.

All the material of war, and all the dwellings, food and clothing of the officers of the Government must therefore be provided by the labor of the people. "But," answers some one [who is still in the state of haziness which obscured the vision of the writer for a long time] "if all those expenses are paid by a tariff, how are they provided by the labor of the people?" Because all foreign commodities imported are the result of the labor of the people of foreign countries, for which we exchange commodities which are the result of the labor of our own people (two of our commodities or products being gold and silver); and, if the Government adds to the cost of the foreign commodity by the imposition of a duty, it will take so much more of the home commodity to pay for it. Let us suppose that we can produce a given quantity of wheat with the expenditure of a less number of days labor than are required in England, and England can produce a given quantity of iron with a less number of days labor than are required by the United States: of course we shall exchange wheat for iron. The Government then imposes a duty upon iron, its object being to procure money for the payment of its expenses. If any revenue is expected from the duty on iron, it must represent less than the difference in the labor required in England to produce iron as compared with the labor required in the United States.

(To be Continued.)

TRADE OF GREAT BRITAIN AND THE UNITED STATES.

COTTON, BREADSTUFFS, PROVISIONS, ETC.

The British Board of Trade returns for the first quarter of the present year indicate that notwithstanding the apparent slackness which has existed in Great Britain for the last few months, the export trade of the country is still quite satisfactory. In comparing these figures, however, with those for 1866, it should be remembered that the trade of the United Kingdom last year was more than usually animated. Very large purchases were then being made by ourselves, the declared value of the exports to United States ports, in the first three months being as much as £8,000,000, against only £3,000,000 in 1865. This year, in the same period, the shipments have reached a total value of £6,113,600, so that, as compared with 1866, there is a diminution of nearly £2,000,000, but as compared with 1865, an increase of rather more than £3,000,000. Neither of these comparisons, however, can be considered fair, for during 1865 our purchases were much below the average, while last year our merchants were taking more than an average supply. If therefore, we extend the comparison to the year of 1864, we shall find that the declared value of the exports of British and Irish produce and manufactures to the United States was £6,500,000, showing a diminution this year of £400,000 only. This country still ranks as the best customer that England possesses for her manufactures, nearly one-fifth of the total shipments being on United States account.

The principal decline in the exports to this country in the first three months of the present year is in cotton piece goods, which show a falling off to the value of £410,000, in linen piece goods £46,300, and in woolen and worsted manufactures £789,000. Haberdashery and millinery, cutlery, linen thread, bar iron, wrought iron, iron hoops and boiler plates, tin plates, silk manufactures, and alkali, also exhibit a considerable reduction; but, on the other hand, there is an important augmentation in the shipments of railroad iron, the increase in the export of this article being nearly £233,000. In the annexed statement will be found all the leading articles of export to the United States, together with the aggregate value of these shipments hence during the first three months of each of the last three years:

EXPORTS OF BRITISH AND IRISH PRODUCE AND MANUFACTURES TO THE UNITED STATES FROM JANUARY 1 TO MARCH 31.

	1865.	1866.	1867.
Alkali.....	£10,860	£281,971	£230,693
Beer and ale.....	6,406	20,841	26,534
Coals.....	15,969	19,361	16,136
COTTON MANUFACTURES—			
Piece goods.....	400,945	1,511,479	1,125,637
Thread.....	99,013	99,047	98,617
Earthenware and porcelain.....	88,975	190,204	207,052
Haberdashery and millinery.....	217,363	576,423	514,296
HARDWARES AND CUTLERY—			
Knives, forks, &c.....	28,029	93,707	76,190
Anvils, vices, &c.....	18,379	44,309	26,442
Manufactures of German silver, &c.....	35,857	210,222	145,914
LINEN MANUFACTURES—			
Piece goods.....	595,725	1,418,111	944,521
Thread.....	38,322	67,906	46,047

METALS—			
Iron—Pig, &c.....	8,071	88,108	91,212
Bar, &c.....	44,018	174,587	108,504
Railroad.....	21,139	93,509	320,006
Castings.....	720	4,426	1,939
Hoops, sheets and boiler plates.....	13,218	83,973	50,651
Wrought.....	43,415	77,258	46,688
Steel.....	76,783	153,688	190,426
Copper, wrought.....	6,164	20,929	10,972
Lead, pig, &c.....	5,077	51,849	27,814
Tin plates.....	152,351	423,094	290,862
Oil seed.....	39	42,551	46,495
Salt.....	6,142	37,337	35,132
SILK MANUFACTURES—			
Broad piece goods.....	14,887	70,947	83,971
Handkerchiefs, &c.....	908	5,477	575
Ribbons.....	8,554	21,093	13,566
Other articles of silk.....	23,505	44,028	13,063
Other articles mixed with other materials.....	7,110	25,553	24,704
Spirits, British.....	180	1,667	997
Wool.....	.....	242	715
WOOLEN AND WORSTED MANUFACTURES—			
Cloths of all kinds.....	142,033	391,640	319,515
Carpets and druggets.....	34,740	237,171	274,173
Shawls, &c.....	7,339	14,913	24,414
Worsted stuffs of wool only, and of wool mixed with other material.....	472,166	1,461,189	727,969
Total.....	3,022,916	8,056,586	6,113,609

In the first two months of the present year, the total computed real value of the principal imports into the United Kingdom was £24,281,084 against £26,457,723 last year, and £19,253,701 in 1865. Of these the value of the cotton imported was as under :

	1865.	1866.	1867.
From United States.....	£56,046	£5,246,383	£3,309,835
Bahamas and Bermudas.....	705,479	34,767	.....
Mexico.....	520,850	12,234	.....
Brazil.....	691,693	872,092	550,786
Turkey.....	147,276	101,077	79,443
Egypt.....	3,046,485	1,455,690	1,706,511
British India.....	1,261,008	2,153,530	465,165
China.....	299,358	.....	10,001
Other countries.....	63,454	162,683	173,098
Total.....	7,037,344	10,055,151	6,264,389

COTTON.

The import of cotton in March was 883,840 cwt., of which 512,988 cwt. were from this country, 228,871 from Egypt, and only 50,521 cwt. from the East Indies. The total supply received last year was 872,827 cwt., and in 1865, 621,673 cwt. For the first three months of the present year the imports were 1,815,219 cwt., against 2,026,409 cwt. in 1866, and 1,433,274 cwt. in 1865. Annexed are the particulars of these imports :

	1865. cwt.	1866. cwt.	1867. cwt.
From United States.....	19,989	1,078,955	999,403
Bahamas and Bermudas.....	99,733	2,602	42
Mexico.....	75,675	2,850	.....
Brazil.....	119,818	149,701	114,778
Turkey.....	57,236	41,374	33,215
Egypt.....	477,363	246,897	454,005
British India.....	404,610	457,450	147,030
China.....	106,146	.....	2,041
Other countries.....	72,714	46,580	64,706
Total.....	1,433,274	2,026,409	1,815,219

The exports of cotton during the three months have fallen off to the

extent of 188,000 cwts., while as regards cotton goods there is a decline of about 40,000,000 yards. The following statement shows the extent of the exports of cotton and cotton goods to all quarters, from Jan. 1 to March 31:

COTTON.

	1865.	1866.	1867.
To Russia.....cwts	1865.	1866.	1867.
Prussia.....	2,864	2,864	50,319
Hanover.....	10,951	19,773	2,958
Hanse Towns.....	63,150	4,167	197,118
Holland.....	28,170	232,119	93,657
Other Countries.....	173,192	104,867	193,317
Total.....	297,463	478,535	542,399

COTTON GOODS.

Cotton yarns, lbs.....	15,515,337	34,979,987	33,901,060
Cotton piece goods, yards.....	438,340,913	561,618,393	621,975,793
Cotton thread, lbs.....	1,001,163	1,337,315	1,598,265

BREADSTUFFS.

At the date of our latest advices, the wheat trade in England was very quiet, but very firm. This arose out of the circumstance that a considerable inroad had been made into the stocks of old wheat, which had been held over from the fine harvests of 1863 and 1864, but as the weather was fine, and as the harvest prospects were good, while the imports from foreign countries were on such a scale that supply and demand were pretty equally balanced, millers exhibited great caution in making purchases, and hence the quietness of the trade. So long as the state of the weather justifies millers in believing that a good crop of wheat may be anticipated, there seems to be no doubt but that they will continue to pursue their present cautious policy. It may therefore be expected that, with the prevalence of fine weather, the wheat trade in England will assume a position for several weeks quite devoid of interest; but if unfavorable weather intervene, between now and harvest, there seems to be room for a considerable rise in prices. In the Board of Trade returns, this country still continues to exhibit a very inferior position with regard to our shipments of cereals. In the first three months of the present year, out of a total import of wheat of 9,061,852 cwts., 2,789,245 cwts were received from Russia, 901,117 from Prussia, and only 508,244 cwts. from this country. The total import of flour was only 885,183 cwts., being nearly 1,000,000 cwts. less than in 1866, and of this quantity only 59,560 cwts. were received from the United States. The annexed statement shows the imports of cereals into the United Kingdom from January 1 to March 31, 1865, 1866 and 1867:

IMPORTS OF BREADSTUFFS INTO THE UNITED KINGDOM FROM JANUARY 1 MARCH 31.

WHEAT.

	1865.	1866.	1867.
From Russia.....cwts	1,071,117	2,839,170	2,739,245
Denmark.....	68,699	42,534	170,915
Prussia.....	139,139	303,961	901,117
Schleswig, Holstein, & Lauenburg.....	37,529	33,904	89,831
Mecklenburg.....	24,638	9,980	145,515
Hanse Towns.....	17,621	35,612	300,764
France.....	145,604	1,352,140	234,073

	1865.	1866.	1867.
From Turkey, Wallachia, and Moldavia.....	148,363	174,835	455,969
Egypt.....			10,068
United States.....	194,486	290,080	508,944
British North America.....	2,394	8,789	73
Other Countries.....	189,044	780,053	605,049
Total.....	1,912,614	5,671,943	6,061,822
Indian corn or maize.....	1,173,943	3,382,874	1,312,790

FLOUR.

	1865.	1866.	1867.
From Hanse Towns.....cwts	66,671	47,837	120,052
France.....	538,219	1,589,483	815,132
United States.....	71,441	149,570	59,560
British North America.....	9,969	4,343	6,582
Other Countries.....	8,803	64,378	374,807
Total.....	694,493	1,855,510	865,133

PROVISIONS AND LIVE STOCK.

A decline has taken place in the value of these articles during the present year, and although prices are still high, a gradual downward movement in the quotations is perceptible. The imports in the three months had been :

PROVISIONS.

	1865.	1866.	1867.
Bacon and hams.....cwts.	121,745	111,866	67,768
Beef, salt.....	53,807	39,325	30,738
Pork, salt.....	26,689	52,161	26,331
Butter.....	209,056	200,981	202,712
Cheese.....	127,164	102,045	141,230
Eggs.....Number	67,55,200	88,717,200	63,469,282
Lard.....cwts	19,004	41,560	36,060

LIVE STOCK.

	1865.	1866.	1867.
Oxen, bulls and cows.....Number.	22,343	29,707	32,184
Calves.....	4,661	5,170	3,839
Sheep and lambs.....	55,012	134,049	111,685
Swine and hogs.....	14,256	11,976	7,325

TOBACCO.

The imports, exports and consumption in the three months ending 31, were as under :

IMPORT.

	1865.	1866.	1867.
Stemmed.....lbs.	600,181	2,864,640	1,208,080
Unstemmed.....	9,688,443	7,893,222	5,608,507
Manufactured and snuff.....	567,829	502,777	910,476

CONSUMPTION.

	1865.	1866.	1867.
Stemmed.....lbs	2,973,496	3,363,113	4,272,476
Unstemmed.....	6,651,410	6,788,557	5,792,623
Manufactured and snuff.....	203,562	223,648	233,925

EXPORTS.

	1865.	1866.	1867.
Stemmed.....lbs	77,409	179,804	137,489
Unstemmed.....	2,899,801	4,407,324	4,463,161
Manufactured and snuff.....	383,561	508,800	668,919

SHIPPING.

The annexed particulars relate to American shipping, so far as regards the United Kingdom, during the first three months of the year.

UNITED STATES VESSELS.

	No.	Ton'ge		No.	Ton'ge
Entered in March, 1865.....	16	17,790	Cleared in March, 1865.....	26	23,743
1866.....	49	47,516	1866.....	43	42,015
1867.....	32	34,674	1867.....	45	46,115
" 3 months, 1865.....	60	67,083	" 3 months, 1866.....	67	61,039
1866.....	123	122,963	1866.....	137	139,994
1867.....	91	99,539	1867.....	114	118,538

VESSELS ENTERED FROM AND CLEARED TO UNITED STATES PORTS.

	No.	Ton'ge		No.	Ton'ge
Entered in March, 1865.....	38	37,175	Cleared in March, 1865.....	61	73,341
1866.....	163	153,888	1866.....	131	121,937
1867.....	153	145,011	1867.....	141	163,305
" 3 months, 1865.....	121	130,992	" 3 months, 1866.....	146	174,876
1866.....	413	394,349	1866.....	393	393,657
1867.....	352	355,931	1867.....	373	402,147

CLEVELAND, PAINESVILLE AND ASHTABULA RAILROAD.

Occupying the centre of the Lake Shore Line of railroads, and being the outlet for the Western markets generally, the Cleveland, Painesville and Ashtabula Railroad may fairly be considered as the northernmost stepping stone between the new and old States, and as such, one among the most important works of the Union. At Cleveland it receives the travel and trade from Chicago, St. Louis and Cincinnati, and extending thence 96 miles to Erie, it is continued to Buffalo by the Buffalo and State Line Railroad, and from Buffalo by the Central route to the seaboard at New York and Boston. As it is one of the most important of our railroads, so has it been one of the most profitable to its stockholders, and hence its stock being held for investment, is seldom quoted in the markets. Its real value, however, will be best understood by a careful study of the figures which represent the company's business for the last five years. The amount of the gross earnings of this road of less than a hundred miles, and the working expenses yearly have been as shown in the following statement :

	1862.	1863.	1864.	1865.	1866.
	\$	\$	\$	\$	\$
Passengers.....	408,141 49	602,691 13	884,354 85	1,069,223 88	984,538 08
Freight.....	1,065,080 68	1,347,423 21	1,282,994 14	1,125,503 72	1,458,445 99
Mails.....	21,600 00	21,600 00	21,600 00	21,600 00	21,600 00
Use of freight cars.....			20,524 94	19,610 01	20,536 59
Interest.....	15,768 29	24,876 34	30,438 45	25,715 75	12,636 70
Miscellaneous.....	41,037 86	69,973 17	233,491 30	97,470 50	91,037 49
T't'l gross e'rn'gs.....	\$1,551,623 30	2,068,623 85	2,424,398 68	2,359,223 86	2,568,384 83
Maintain'g road &c.....	157,349 78	253,413 13	279,735 46	378,166 49	697,243 26
Repairs of mach'y.....	96,965 96	159,870 29	106,226 21	141,573 83	255,781 92
Operat'g the road.....	300,697 51	328,587 35	387,326 81	544,381 64	521,196 99
U. S. & State taxes.....	20,641 58	52,967 19	87,974 31	146,084 84	152,571 25
T't'l cost of working.....	\$575,704 83	797,837 96	860,390 79	1,110,661 80	1,618,793 45
Net Earnings.....	\$975,923 47	1,268,784 89	1,564,017 89	1,148,561 06	952,041 38

The amount of interest and dividends paid and other disbursements in each of the above years, was as follows :

Interest.....	\$24,710 00	\$105,000 00	\$105,000 00	\$105,000 00	\$105,000 00
Dividends in cash.....	300,000 00	429,000 00	975,516 00	400,000 00	500,000 00
" in stock.....	300,000 00	390,000 00		606,135 17	
" in bonds.....	400,000 00				
Miscellaneous.....					112,700 00
Construction and equipment.....		263,610 72	393,747 23	36,375 89	79,506 01
Surplus.....	180,994 83	141,174 17	84,456 67	*	155,035 37

* The surplus of this and former years was distributed in stock to the stockholders to the amount of \$1,000,000, being a 25 per cent. dividend.

The stock of engines and cars owned and operated by the company at the close of each of the last five years consisted of the following :

	1862.	1863.	1864.	1865.	1866.
Locomotive engines.....	31	31	32	36	37
Passenger cars—first class.....	21	21	21	20	24
second class.....	13	8	..	..	8
Baggage, mail and express cars.....	8	8	8	12	10
Freight cars.....	535	601	691	671	690
Coal cars.....	..	..	..	110	117

The operations on the road for the same years are shown in the following table :

	1862.	1863.	1864.	1865.	1866.
Miles run by passenger trains.....	201,380	202,904	231,820	267,812	261,928
" by freight trains.....	262,917	346,567	360,379	301,149	298,124
" by coal trains.....	..	12,925	15,890	13,955	23,010
Through passengers carried.....	134,530	187,409	245,662	299,860	360,735
Total.....	257,278	253,479	394,670	501,092	593,748
Through freight (tons of 2,000 lbs.) carried....	423,766	544,842	606,964	482,733	385,173
Total freight (tons of 2,000 lbs.) carried....	456,066	590,033	657,317	597,306	589,210

The freight carried on the road was classified as follows :

	1862.	1863.	1864.	1865.	1866.
Coal (bituminous).....tons.	726	656	3,744	47,169	107,750
Iron (pig, castings, &c.) and ores.....	7,430	9,024	11,742	19,184	32,411
Railroad iron.....	1,785	3,969	3,753	4,327	945
Petroleum & other oils.....	..	..	..	6,970	6,177
Agricultural products.....	55,120	78,740	144,123	119,506	117,534
Merchandise.....	84,363	180,643	148,397	121,154	111,651
Manufactures.....	85,874	59,467	7,782	67,411	54,798
Live stock.....	119,505	149,907	141,649	107,536	118,921
Lumber.....	5,431	9,423	13,964	17,658	11,716
Other articles.....	95,826	98,264	182,313	96,407	27,304
Total (tons of 2,000 lbs.).....	456,066	590,033	657,317	597,306	589,210

The following shows the amount of stock and indebtedness and the cost of road and equipment yearly :

	1862.	1863.	1864.	1865.	1866.
Capital Stock.....	\$3,300,000 00	\$3,600,000 00	\$4,000,000 00	\$5,000,000 00	\$5,000,000 00
Funded Debt.....	1,500,000 00	1,503,000 00	1,501,000 00	1,500,000 00	1,500,000 00
Total.....	\$4,800,000 00	\$5,103,000 00	\$5,501,000 00	\$6,500,000 00	\$6,500,000 00
Railroad.....	\$3,452,143 36	\$3,566,896 16	\$3,766,159 38	\$3,802,793 62	\$3,882,069 64
Equipment.....	590,344 23	738,302 15	937,686 15	986,337 49	986,337 49
Total.....	\$4,042,487 59	\$4,305,098 31	\$4,703,845 53	\$4,789,121 12	\$4,868,427 13

Assuming the stock of this company at \$3,000,000 as at the commencement of the period above reviewed and taking the amounts divided to the stockholders through that period, we find that the latter have received the following amounts—in cash \$2,604,815, in stock \$1,630,000 and in bonds \$400,000, or in all, for the five years embraced, the sum of \$4,634,815, nearly 155 per cent., or at the rate of 31 per cent. per annum, not including the current interest on the dividends severally. The company are now paying 10 per cent. on their capital increased by these dividends to \$5,000,000, which is equivalent to 16 2-3 per cent. on the original investment. Geographical position is the master-key to this grand result.

PUBLIC DEBT OF THE UNITED STATES.

Abstract statement, as appears from the books and Treasurer's returns in the Treasury Department, on the 1st of April, the 1st of May and the 1st of June, 1867, comparatively :

DEBT BEARING COIN INTEREST.

	April 1.	May 1.	June 1.
5 per cent. bonds.....	\$198,091,350	\$198,431,350	\$198,431,350
" " of 1867 and 1868.....	15,488,642	15,879,642	15,325,642
" " of 1861.....	283,746,600	283,746,200	283,746,350
" " 5.20's.....	969,568,000	1,031,146,150	1,092,640,600
Navy Pension Fund.....	12,500,000	12,500,000	12,500,000
	\$1,499,381,592	\$1,541,303,942	\$1,602,643,942

DEBT BEARING CURRENCY INTEREST.

6 per cent. bonds.....	\$12,922,000	\$12,922,000	\$12,722,000
3-year Compound Interest Notes.....	139,028,630	194,774,510	180,030,240
3-year 7.30 notes.....	862,330,150	549,419,200	511,939,536
	\$734,280,780	\$697,115,710	\$665,691,765

DEBT ON WHICH INTEREST HAS CEASED.

Various bonds and notes.....	\$12,385,658	\$11,932,540	\$9,712,020
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DEBT BEARING NO INTEREST.

United States Notes.....	\$375,417,249	\$374,247,637	\$273,209,737
Fractional currency.....	29,217,495	28,975,879	28,458,075
Gold certificates of deposit.....	12,590,000	15,490,490	17,323,960
	\$417,225,344	\$418,623,506	\$418,991,732
Aggregate debt.....	\$2,663,712,874	\$2,668,875,099	\$2,687,040,520
Coin and Currency in Treasury.....	140,285,304	148,098,002	171,424,583
Debt, less coin and currency.....	\$2,523,428,070	\$2,520,786,096	\$2,515,615,937

The following statement shows the amount of coin and currency separately at the dates in the foregoing table :

	April 1.	May 1.	June 1.
Gold Coin.....	\$108,956,477	\$114,250,444	\$98,758,418
Currency.....	34,328,827	33,838,568	72,666,163
Total gold coin and currency.....	\$140,285,304	\$148,089,002	\$171,424,583

RAILROAD EARNINGS FOR APRIL.

The gross earnings of the under-specified railroads for the month of April, 1866 and 1867, comparatively, and the difference (increase or decrease) between the two periods are exhibited in the subjoined statement :

Railroads.	1866.	1867.	Increase.	Decr'se.
Atlantic and Great Western.....	\$394,533	\$442,029	\$48,496	\$.....
Chicago and Alton.....	269,249	283,921	14,672	.....
Chicago and Great Eastern.....	102,018	103,154	1,141	.....
Chicago and Northwestern.....	617,970	720,651	102,681	.....
Chicago, Rock Island and Pacific.....	249,370	260,288	30,913	.....
Cleveland and Toledo.....	222,113	217,940	.....	5,173
Erie.....	1,153,441	1,217,143	63,702	.....
Illinois Central.....	406,772	420,007	13,235	.....
Marietta and Cincinnati.....	82,722	92,768	10,046	.....
Michigan Central.....	343,736	363,733	19,047	.....
Michigan Southern.....	409,427	391,163	.....	18,264
Milwaukee and Prairie du Chien.....	108,082	87,510	.....	20,572
Milwaukee and St. Paul.....	144,950	192,548	47,598	.....
Ohio and Mississippi.....	277,423	284,739	7,306	.....
Pittsburg, Fort Wayne and Chicago.....	599,806	575,287	.....	24,519
Toledo, Wabash and Western.....	270,800	317,052	46,252	.....
Western Union.....	43,333	40,710	.....	2,623
Total (17 roads).....	\$5,696,240	\$6,080,673	\$384,433	\$.....

This statement is the most favorable of the year. It will be seen from it that there was an increase in the gross earnings of these roads for April this year of \$334,438 over the same month last year. The net increase must be proportionately larger, as expenses are necessarily somewhat less with the fall in prices. The gross earnings per mile of road for the same month of the years respectively, are shown in the statement which follows:

Railroads.	Length in miles		Earnings		Difference	
	1866.	1867.	1866.	1867.	Incr.	Dec.
Atlantic & Great Western.....	507	507	\$773	\$874	\$ 96	...
Chicago and Alton.....	230	230	901	1,014	53	...
Chicago and Great Eastern.....	224	224	455	460	5	...
Chicago and Northwestern.....	1,033	1,145	599	629	30	...
Chicago, Rock Island & Pacific.....	423	423	590	663	73	...
Cleveland and Toledo.....	173	173	1,269	1,260	29	...
Erie.....	798	775	1,445	1,570	125	...
Illinois Central.....	708	708	574	593	19	...
Marietta and Cincinnati.....	251	251	390	379	40	...
Michigan Central.....	235	235	1,203	1,273	67	...
Michigan Southern.....	524	524	781	746	...	35
Milwaukee & Prairie du Chien.....	234	234	463	374	...	88
Milwaukee and St. Paul.....	275	370	527	620	...	7
Ohio and Mississippi.....	349	349	815	837	21	...
Pittsburg, Ft. Wayne and Chicago.....	463	463	1,230	1,239	...	51
Toledo, Wabash and Western.....	434	434	553	635	96	...
Western Union.....	177	177	245	330	...	15
Total (17 roads).....	7,163	7,863	\$793	\$818	\$25	\$..

RAILROAD REPORTS.

OHIO AND MISSISSIPPI RAILROAD.

The operating accounts of the Ohio and Mississippi Railroad for the two years 1865 and 1866, as given by the Auditor, compare as follows:

	Earnings 1866.		Total.	Earnings 1865.	Difference.	
	E. Div.	W. Div.			Increase.	Decrease.
	\$	\$	\$	\$	\$	\$
Passengers.....	949,831 45	665,774 98	1,615,606 43	2,149,992 82	...	534,386 39
Freight.....	929,907 95	651,568 15	1,581,476 10	1,458,557 43	122,918 67	...
Exp's & m.....	107,904 42	73,606 55	183,510 97	184,435 20	...	944 22
Total.....	1,987,633 82	1,392,943 03	3,380,636 50	3,793,005 45	...	412,421 95
Ord'y exp.....	1,791,325 15	1,183,211 13	2,929,536 28	2,772,897 45	156,638 83	...
Net earnings.....	196,308 67	254,738 55	451,047 22	1,020,108 00	...	569,060 78

The comparative earnings of the year 1865 and 1866 shows a decrease on the whole line of \$412,421 95. The military transportation for 1866 included in earnings was comparatively a small sum, amounting only to \$99,813 74, which in 1865 reached \$409,450 51, making a difference in favor of 1865 of \$319,636 77, and showing that the regular business for 1866 was but a small sum less than for the previous year. And but for the prevalence of cholera in Cincinnati and St. Louis from July to December, and the unfortunate disasters to the road by floods, subjecting the company to the loss of the important bridge over the Miami, seriously interfering with the heavy fall business from which the largest half of the year's revenue is derived, the regular business of the road would have been larger than that of 1865. The disasters referred to added largely to ordinary and extraordinary expenses by the increase of labor and material required to put and keep it in order.

The financial condition of the company on the 1st March, yearly, is shown in the statement which follows :

	1863.	1864.	1865.	1866.	1866.
	\$	\$	\$	\$	\$
Cost of works, &c.....	2,925,489 71	2,973,089 39	3,002,305 17	3,110,679 59	3,269,756 13
Cash.....	10,326 00	10,084 56	24,534 05	35,011 43	64,151 96
Bills, accounts, &c.....	24,533 68	15,341 82	60,151 52	56,130 65	61,661 65
Materials.....	12,518 64	8,623 08	10,069 71	7,387 66	21,055 11
Total.....	\$2,973,857 03	\$3,006,981 85	\$3,096,940 45	\$3,209,209 35	\$3,416,625 65
Stock—consolidated.....	1,025,000 00	1,025,000 00	1,025,000 00	1,025,000 00	1,025,000 00
—preferred.....	1,175,000 00	1,175,000 00	1,175,000 00	1,175,000 00	1,175,000 00
Mortgage bonds.....	727,250 00	750,000 14	761,250 09	761,250 00	768,250 00
Boat loan bonds.....				99,852 50	232,067 50
Current Liabilities.....	35,498 62	40,340 91	44,770 88	30,784 68	110,373 25
Profit and loss.....	10,108 21	16,480 94	90,919 57	117,351 97	96,014 30
Total.....	\$2,973,857 03	\$3,006,981 85	\$3,096,940 45	\$3,209,209 35	\$3,416,625 65

CAMDEN AND AMBOY AND NEW JERSEY RAILROAD CONSOLIDATION.

The first joint report of the consolidated companies—The Camden and Amboy R.R. Company—The Delaware and Raritan Canal Company, and the New Jersey R.R. Company—has been made to the stockholders, from which it appears that the three corporations, although preserving distinct organizations, are united in interest, and have one general management by officers of the consolidated association. We have compiled the following statistics as to the condition of the companies Jan. 1st, 1867, and their operations in 1866, from the report. The Delaware and Raritan Canal and Camden and Amboy R.R. are known as the "old joint companies."

	Del. & Raritan Canal.	Camd. & Amboy R.R.	Old "Joint R.R. Companies."	New Jersey R.R.	Phil. & Trenton R.R.	Total.
STOCK AND DEBT.						
Full paid stock.....	\$2,521,800	\$5,000,000		\$5,000,000	\$1,069,120	\$13,590,420
Less held by associated co's.....						645,009
						\$12,945,410
Script stock 25 p. c. paid issued by old "joint companies," Jan. 1						466,112
Undiv'd ear'gs Jan. 1st.....			1,072,994	657,448	565,065	2,295,508
						\$15,737,041
Funded debt.....			10,182,137	555,000	200,000	11,237,134
Total liabilities.....						\$26,974,176
ASSETS—						
Works & eq'p's.....	\$4,331,251	10,099,500		\$5,638,788	\$1,675,790	\$21,814,831
R.R. stocks.....			2,517,063	629,245	151,455	3,297,763
R.R. bonds & advances.....			1,234,670			1,234,670
Other accounts.....			115,571			115,571
Cash, &c.....			199,983	224,415	30,959	461,340
Total.....						\$26,974,176
EARNINGS IN 1866—						
Tolls and other receipts.....	\$1,294,157	\$.....	\$.....	\$.....	\$.....	\$1,294,157
From passeng's.....		1,437,440		1,275,568	732,322	3,445,360
From freight.....		1,842,082		209,768	16,437	2,128,267
Miscellaneous.....		42,806	283,805	225,506	28,055	544,672
Steam towing.....		609,067				609,067
From operating Ph. & T. R. R.....		382,000				382,000
Total.....	\$1,294,157	\$3,312,695	\$283,805	\$1,770,862	\$836,814	\$8,453,533
EXPENSES IN 1866—						
Operat'g expe's.....	\$342,494	\$3,562,100	\$53,837	\$981,847	\$659,334	\$4,500,214
Taxes.....	117,019	247,409	49,033	137,337	27,088	567,878
For steam tow'g.....		610,223				610,223
Operat'g Ph. & T. R. R.....		382,000				382,000
Total.....	\$560,513	\$3,801,733	\$102,870	\$1,119,174	\$697,023	\$6,080,215

NET EARNINGS.....	933,642	511,163	136,934	651,687	139,791	2,372,218
INTEREST PAID.....	.....	.....	633,511	55,639	16,929	706,069
Total dividend fund						\$1,667,148
TRAFFIC—						
Tons on canal.....	2,537,244	.....	.....	.....	.....	.....
Through pass'gs.....	.....	.....	.....	.....	.....	639,110
Other passeng's.....	.....	837,863	.....	2,998,453	837,863	4,575,424
Total tonnage of freight on R.R.	.....	.....	.....	.....	.....	824,895

NORTHERN CENTRAL RAILROAD.

The earnings and expenses of the Northern Central Railroad, its branches and leased lines, for the year ending December 31, 1866, are shown in the following statement :

	Northern Central. (138 m.)	Wrightsville Branch. (13 m.)	Shamokin Division. (23 m.)	Elmira Division. (78 m.)	Chemung Division. (22 m.)	Canandaigua Division. (47 m.)
Freight.....	\$1,869,293	\$12,920	\$314,484	\$348,872	\$39,663	\$60,916
Passengers.....	786,665	14,023	21,010	133,145	33,385	40,898
Express.....	69,329	.....	151	16,766	.....	.....
U. S. mails.....	25,450	650	1,400	11,550	2,935	7,047
Rents.....	142,721	.....	8,292	.....	.....	.....
Sundries.....	65,555	.....	2,799	7,698	.....	.....
Gross earnings.....	\$2,959,013	\$27,598	\$348,138	\$517,531	\$50,985	\$103,861

The expenses of transportation, maintenance, &c., were—

Transportation.....	\$456,959	\$5,773	\$52,992	\$139,010	\$41,041	\$40,216
Motive power.....	574,601	12,777	108,923	235,372	18,331	35,619
Cars.....	165,517	3	11,536	43,823	4,235	3,471
Way.....	531,873	7,422	40,324	116,032	.....	73,592
General.....	31,669	446	3,973	11,632	1,621	3,378
Total expenses.....	\$1,800,819	\$26,621	\$217,746	\$596,462	\$65,228	\$157,276
Net earnings.....	\$1,158,194	\$977	\$130,391	.....	\$15,757	.....
Loss.....	.....	.....	.....	\$78,931	.....	\$53,415

The following is a recapitulation of the above account of earnings and expenses :

	Earnings.	Expenses.	Gain.	Loss.
Main line.....	\$2,959,013 63	\$1,800,818 95	\$1,158,193 67	\$.....
Wrightsville branch.....	27,597 85	26,621 21	976 64	.....
Shamokin division.....	348,138 11	217,746 80	130,391 31	.....
Elmira division.....	517,530 65	593,461 79	.....	78,931 14
Chemung division.....	80,984 60	65,227 43	15,757 17	.....
Canandaigua division.....	103,861 55	167,275 92	.....	53,414 37
Total.....	\$4,042,125 58	\$2,874,152 10	\$1,167,973 48	\$.....
Extraordinary exp'n's.....	.....	127,314 83	.....	.....
Actual result.....	\$4,042,125 58	\$2,746,837 25	\$1,295,288 33	\$.....

The general financial account showing the total financial operations for the year, reads as follows :

RECEIPTS.		EXPENDITURES.	
Earnings as above.....	\$4,042,125 58	Expenses as above.....	\$2,874,152 10
Interest on investments.....	5,020 12	Interest and discount.....	433,268 79
“ on sinking funds.....	31,637 49	Dividends.....	361,466 00
Augmented capital stock.....	400 00	Taxes on cap'l & divid's.....	27,023 79
Sk'g'rd for \$1,500,000 loan.....	146,945 97	Rents of railroads.....	277,985 42
Bonds of 1900 sold.....	724,500 00	Sinking funds.....	103,717 49
Cash liabilities.....	192,114 23	Additions to property.....	553,870 34
		Loan of Bal. & Susq. R.R.....	150,000 00
		City of Baltimore.....	361,244 46
Total.....	\$5,142,733 39	Total.....	\$5,142,733 39

The condition of the company at the close of the present year is shown in the following abstract :

Capital stock.....	\$4,518,900 00	Property.....	\$10,903,730 60
Bonds (see b'nd list, p.569).....	5,424,500 00	Sinking funds.....	495,201 25
Bills payable.....	1,043,743 75	Cash.....	368,317 59
Other liabilities.....	869,867 88	Materials and supplies.....	309,834 70
Profit and loss.....	787,769 40	Bonds of other compn's.....	148,483 63
		Current accounts.....	417,192 87
Total.....	\$12,644,780 98	Total.....	\$ 2,644,790 98

For some years it has been the policy of this company, the report says, to charge whatever additional equipments was purchased and put upon the road to the ordinary working expenses, until we have an equipment now worth, at a gold valuation, \$2,132,000, instead of \$1,382,000, as represented upon our books, the difference amounting to \$750,000. This, with the \$787,769 already credited to profit and loss, shows a surplus fund of over a million and a half.

Speaking of the wear of roads, the same report remarks: "We have, in common with all the railroads of the country, suffered very much from the rapidity with which the iron rails wear out. The average life of a rail has diminished fully 50 per cent. during the last ten years, they lasting now but three years. This causes an expenditure in maintaining the road which tells severely upon the working expenses. We are not prepared to say that the railroad iron now manufactured in this country is inferior in quality, but in the increase of speed by our passenger trains and the increase in weight of engines, together with the increased tonnage, may account for their rapid destruction."

MOBILE AND OHIO RAILROAD.

The 19th annual report of this company gives the following results of operating their road for the year 1866, which we compare with those of 1860:

	1860. (415 m.)	1866. (486 m.)	Increase.
Earnings from passengers.....	\$392,347 23	\$902,719 04	\$510,471 81
" freight.....	953,030 01	1,432,491 15	479,460 24
" mails.....	41,925 75	42,794 00	868 25
" express.....	10,654 50	70,231 90	59,577 40
Total gross earnings.....	\$1,401,853 30	\$2,449,236 09	\$1,046,427 79
Cost of repairs and operating.....	707,488 17	1,390,398 46	682,910 29
Earning less cost.....	\$693,370 13	\$1,058,837 63	\$365,517 50
Earnings per mile of road.....	3,379 00	5,087 00	1,658 00
Expenses per mile.....	1,704 00	2,861 00	1,157 00
Earnings per mile run by trains.....	1 71	2 35	0 64

The road commenced running on federal currency May 15, 1865. The earnings for the seven and a half remaining months of that year amounted to \$1,418,976 30. The earnings for the same months in 1866 amounted to \$1,496,517 86. The increase of total earnings has thus been very small, while the receipts from freight fell from \$894,541 38 in 1865 to \$833,494 29 in 1866, the cotton crop along the road having signally failed, and disappointed the natural anticipations of a largely increased business, expressed by the President in his report for 1865. The cotton transported on the road in 1866 was only about one half the quantity reported for 1860.

The financial condition of the company has not been materially changed since the previous report; on Dec. 31, 1865, the amount of indebtedness, except bonds, was \$1,492,757.53; and on Dec. 31, 1866, \$1,021,611.13. The changes in the bonded debt are as follow.

	Am't outstanding		Difference	
	Dec. 31, 1865	Dec. 31, 1866	In-crease.	De-crease.
Income bonds of 1861.....	\$146,300	\$85,000	\$.....	\$61,300
do do 1862.....	885	46,000	.....	45,000
do do 1863.....	306,800	96,000	.....	209,800
do do 1867.....	223,900	228,900	.....	.....
do do (10 years).....	75,348	81,685	.....	6,342
First mortgage sterling.....	4,187,000	4,508,000	318,000	.....
Tenn. State bonds.....	1,099,000	1,275,000	176,000	.....
do do do (interest funded).....	.....	388,800	388,800	.....
Interest bonds.....	.....	526,300	526,300	.....
Total.....	\$6,133,243	\$7,230,685	\$1,097,442	\$.....

This shows that some progress has been made in funding; but owing to the unfavorable course of business during the past year the resumption of the payment of interest has been put off to May 1, 1868, the foreign creditors having acceded to this arrangement, with the condition that simple interest at 6 per cent be allowed on the coupons matured, and that will mature up to Nov. 1, 1867, the company to issue for the amount, coupon bonds the same in form as the original bonds; the coupons in the meanwhile to remain in trust as collateral security. Regarding the home bonds, the President says—"As the assurance has always been given, that bondholders on both sides of the Atlantic should fare as nearly alike as possible, it only remains for those on this side to enter into a similar agreement in order to close this arrangement."

COMMERCIAL LAW.—No. 33.

(Continued from page 363, vol. 56.)

FIRE INSURANCE (CONTINUED).

OF THE INTEREST OF THE INSURED.

As to what interest in the insured is sufficient to support an insurance, the principle is the same in fire as in marine insurance. Any legal interest is sufficient. And if it be equitable in the sense that a court of equity will recognize and protect it, that is sufficient; but a merely moral or expectant interest is not enough. So one has an insurable interest in a house placed on another's land with that other's consent, but not if placed there without license or shadow of title. So, too, one who has made only an oral bargain with another to purchase that other's house, cannot insure it; but if there be a valid contract in law, or if by writing or by part performance it is enforceable in a court of equity, the purchaser may insure. So he may, although there be a stipulation, the breach of which has made the contract void by its terms, if the other party might waive the condition and enforce the contract. So, if a debtor assign his property to pay his debts, he has an insurable interest in it until the debts are paid, or until the property be sold. This was so held where it appeared that

the property would pay the debts and leave a surplus for the assignor ; but we should expect the same ruling where this was not the case.

A mortgagor may insure the whole value of his property, even after the possession has passed to the mortgagee, if the equity of redemption be not wholly gone. So he may if his equity of redemption is seized on execution, or even sold, so long as he may still redeem. And in case of loss he recovers the whole value of the building, if he be insured on it to that amount.

A mortgagor and a mortgagee may both insure the same property, and neither need specify his interest, but simply call it his property. The mortgagee has an interest only equal to his debt, and founded upon it ; and if the debt be paid, the interest ceases, and the policy is discharged ; and he can recover no more than the amount of his debt. And if a house insured by a mortgagee were damaged by fire, even considerably, or perhaps destroyed, it might be doubted, on what we should think good grounds, whether he could recover, if it were proved that the remaining value of the premises mortgaged was certainly more than sufficient to secure his debt, and all reasonably possible interest, cost, and charges.

Whether he can hold what he thus receives from the insurers, and also recover his debt from the debtor, we have considered in the article on Marine Insurance. We will only say, that, while recent decisions have thrown much doubt upon this question, we are still of opinion that he cannot do both ; and that the insurers should generally be, in some way, substituted, as to his rights against the debtor, for the amount which they pay to him.

The question might possibly arise, whether the debtor could compel or require him to enforce his claims against the insurers, and then consider the debt paid thereby, for his benefit ; but we should hold, very confidently, that he could not. In a recent case in Massachusetts, to which we have heretofore referred more than once, and which has been somewhat doubted, it was held that a mortgagee who, at his own expense, insures his interest in the property mortgaged against loss by fire, without particularly describing the nature of his interest, is entitled, in case of loss by fire before payment of the mortgage debt, to recover the amount of the loss from the insurers to his own use, without first assigning his mortgage, or any part thereof, to them. In an elaborate opinion, the court maintain that, notwithstanding respectable authorities to the contrary, when a mortgagee causes insurance to be made for his own benefit, paying the premium from his own funds, in case a loss occurs before his debt is paid, he has a right to receive the total loss for his own benefit ; that he is not bound to account to the mortgagor for any part of the money so recovered, as part of the mortgage debt ; but has still a right to recover his whole debt of the mortgagor. And so, on the other hand, when the debt is thus paid by the debtor, the money is not, in law or equity, the money of the insurer, who has thus paid the loss, or money paid to his use. Decisions which seem to oppose this ruling may be found in Pennsylvania, in New York, in the Supreme Court of the United States, and in England. But the question is not without its difficulty.

It has been held, for strong reasons, that if a mortgagor is bound by his contract with the mortgagee to keep the premises insured for the benefit of the mortgagee, and does keep them insured in his own name, the

mortgagee has an equitable interest in, or lien upon, the proceeds of the policy.

One who holds property only in right of his wife, may insure the property, even if his wife be only a joint tenant. And a tenant for years, or from year to year, may insure his interest, but would recover only the value of his interest, and not the value of the whole property.

We have said that, generally, any one having any legal interest in property may insure it as his own. But there is one important exception to, or modification of, this rule. By the charters of many of our mutual insurance companies, the company has a lien, to the amount of the premium note, on all property insured. It is obvious, therefore, that no such description can be given, or no such language used, as would induce the company to suppose they had a lien when they could not have one, or would in any way deceive them as to the validity or value of their lien. In all such cases, all encumbrances must be stated, and the title or interest of the insured fully stated in all those particulars in which it affects the lien.

A trustee, agent, or consignee may insure against fire, as he may against marine loss. Generally the consignee is not bound to insure against fire, but may, at his discretion. If the insurance is expressly on goods held on commission, the insurers must take notice that the owner does not retain possession of them, and that they are to be in the custody, and under the vigilance, integrity and care of the consignor only. He may insure, expressly, his own interest in them for advances, or the owner's interest. It has been held in a recent case, and we think on excellent reasons, that a consignee may, by virtue of his implied interest and authority, insure, in his own name, goods in his possession against fire, to their full value, and recover for the benefit of the owner. And if the interest be not expressed, the policy will be construed as not covering the interest of the owners, if, upon a fair construction of the words and facts, it seems to have been the intention of the parties only to secure the consignee's interest. And an insurance against fire upon merchandise in a warehouse, "for account of whom it may concern," protects only such interests as were intended to be insured at the time of effecting the insurance.

It is now common for a commission merchant to cover in one policy, in his own name, all the goods of the various owners who have consigned to him. It has been held that the words "goods on commission," in fire policies, have an effect equivalent to the words "for whom it may concern," in marine policies. And it was also intimated, but, as we think, on doubtful grounds, that, if the goods actually were held on commission, they would not be covered by the policy, unless so described, although the insured had a lien for advances; in this case, however, the condition in the policy excluded such goods.

A consignee of goods, sent to him, but not received, may insure his own interest in them against marine risks, and we know no reason why he may not against fire.

So, any bailee (which means any person to whom property has been delivered for any purpose), who has a legal interest in the chattels which he holds, although this be temporary and qualified, may insure the goods against fire. Thus it has been held that a common carrier by land, who

has a lien on the goods, and is answerable for them if lost by fire (unless it be caused by the act of God or the public enemy), may insure the goods to their full value against fire.

The insurers must know whom they insure; for they may have a choice of persons, and it is important to them to know whether they are to depend on the care and honesty of this man or that man. The insured must so describe the owner as not to deceive them on this point, and so he must the ownership. Thus, if he aver an entire interest in himself, he cannot support this by showing a joint interest with another; and if in his action he declare the latter, proof of the former is not sufficient.

So, too, there must be actual authority to make the insurance. This may be express, or implied, in some cases, as it seems to be implied with the consignee, or the carrier, and perhaps, generally, with any one who has an actual possession of, interest in, and lien on, the property. But a tenant in common does not derive from the cotenancy authority to insure for his cotenant; nor could a master of a ship or a ship's husband, merely as such, insure the owner's interest against fire, any more than against marine loss.

OF REINSURANCE.

Reinsurance is equally lawful in fire policies as in marine policies, and in general is governed by the same rules. The reinsurance is an insurance, not of the risk of the insured, for that is a merely ideal thing; but it is an insurance of the property originally insured, in which the first insurers acquire by their insurance an insurable interest. If a common policy be used, with no other change than that the word reinsurance is used instead of insurance, all its requirements are in force. If, for example, in cases of loss, this policy requires a certificate from a magistrate as to character, circumstances, &c., that must be furnished by the reinsured. But if a suitable certificate were given by the party first insured to the original insurer, and he transmit the same forthwith to those who insure him, that is enough; and so it would be with notice, preliminary proof, and all similar requirements. And an insurer who obtains reinsurance is bound to communicate (in addition to whatever else should be stated by one asking insurance) all the information he has concerning the character of the party originally insured; and a material concealment on this point would avoid the policy.

As the insurer, who is reinsured, effects an insurance not on his risk, but on the property, it seems to be very strongly held, that he recovers in case of loss, not merely what he actually pays—although this might be an adequate indemnity—but all that he was legally liable to pay. Of course, if he has any valid defence against the party whom he insured, he must make it; and if it discharges him, it destroys his claim on his insurers. But if there be a loss which he is bound to pay, he recovers from his insurers the whole amount of it, whether he actually pays it or not.

A question then arises, whether, if an insurer who is reinsured becomes insolvent, so that the originally insured does not get a payment upon his policy, this originally insured has not a lien upon him, or a specific interest in the policy of reinsurance. But it is held that he has not. The reinsured assignees, or trustees, take all that is payable under the policy of

reinsurance, and hold it for the creditors generally of thereinsured; and the originally insured takes only his proper share or dividend as one of the creditors of the first insurer.

OF DOUBLE INSURANCE.

Double insurance, although sometimes confounded with reinsurance, is essentially different. By this, the party originally insured becomes again insured; but by reinsurance, the original insurer is insured, and, as we have seen, the original insured has no interest in, and no lien on, this policy. If, by a double insurance, the insured could protect himself over and over again, he might recover many indemnities for one loss. This cannot be permitted, not only because it is opposed to the first principles of insurance, but because it would tempt to fraud, and make it very easy. The effect may be obviated in two ways, one, by considering the second insurance as operative only on so much of the value of the property insured as is not covered by the first; and then, as soon as the whole value is covered, whether by the first or by subsequent policies, any further insurance has no effect. A second way is by considering the second insurance as made jointly with the first. Then only as much would be paid on any loss on many insurances, as on one only; but this payment is divided ratably among all the insurers. All the policies are considered as making but one policy; and therefore any one insurer who pays more than his proportion, may claim a contribution from others who were liable.

In this country, fire policies usually contain exprees and exact provisions on this subject. They vary somewhat; but, generally, they require that any other insurance must be stated by the insured, and indorsed on the policy; and it is a frequent condition that each office shall in that case pay only a ratable proportion of a loss; and it is often added that, if such other insurance be not so stated and indorsed, the insured shall not recover on the policy. And it has been held that such a condition applies to a subsequent as well as to a prior insurance, or to an insurance of any part of the property covered by the other policy. Nor will a court of equity relieve, if sufficient notice and indorsement have not been made. But it has been held that a valid notice might be given to an agent of the company, who was authorized to receive applications and survey property proposed for insurance.

In some instances the charter of the company provides that any policy made by it shall be avoided by any double insurance of which notice is not given, and to which the consent of the company is not obtained, and expressed by their indorsement in the policy. But this would not apply to a non-notice by an insured of an insurance effected by the seller on the house which the insured had bought, if this policy were not assigned to him.

We have seen that several policies insuring the same party on the same interest are taken to be one policy, and therefore a payment of more than a due proportion gives a claim for contribution. But it seems that this is not the case where there is a clause in the policy like that above mentioned, providing that only a ratable proportion shall be paid by each insurer. For this clause gives each insurer an adequate defence, if more than his share be demanded, and therefore the ground of contribution

fails; for the right to demand contribution exists only when two or more are bound severally to pay the whole, and one pays it, or more than his share, *by compulsion*, and therefore may ask the rest, who were bound in the same way, to contribute.

It is a double insurance if both policies cover the same insurable interest, and they are all in the name of the same assured, or perhaps, if all, or a part, are in the name of another, for his benefit. Insurance made by a mortgagee, at the expense of the mortgagor, may operate as a subsequent insurance, if the mortgagor had made a former one.

OF WARRANTY AND REPRESENTATION.

The law of warranty and representation is, in general, the same in fire as in marine insurance. A warranty is a part of the contract; it must be distinctly expressed, and written either in or on the policy, or on a paper attached to the policy, or, as has been held, on a separate paper distinctly referred to and described as a part of the policy. Then it operates as a condition precedent; that is, as a condition of the policy, which if it be not performed, the policy never takes effect; if it be not performed there is no valid contract; nor can the non-performance be helped by evidence that the thing warranted was less material than was supposed, or, indeed, not material.

It may be a warranty of the present time, or as it is called, affirmative or of the future, and then it is promissory. And it may be, although of the present and affirmative, a continuing warranty, rendering the policy liable to avoidance by a non-continuance of the thing which is warranted to exist. Whether it is thus continuing or not, must evidently be determined by the nature of the thing warranted. A warranty that the roof of a house is slated, or that there are only so many fireplaces or stoves, would, generally at least, be regarded as continuing; but a warranty that a building was five hundred feet from any other building, would not cause the avoidance of the policy if a neighbor should afterwards put up a house within one hundred feet, without any act or privity of the insured. This subject has, however, been somewhat considered under the topic of alteration.

We have seen, that statements made on a separate paper may be so referred to as to make them a part of the policy. And it is usual to refer in this way to the written application of the insured, and to all the written statements, descriptions, and answers to questions, which he makes for the purpose of obtaining insurance. And although there is in the decisions some indication of distinguishing between the application itself and the conditions on which the policy is made, we see no reason for saying that any statements whatever, made in writing, for the purpose of obtaining insurance, and referred to distinctly in the policy as a part of it, and therein declared to be warranties or conditions on which the policy is made, are anything less than positive warranties. But a fair and rational, or, in some cases, a liberal construction will be given to such statements. Thus, where a charter of a company provided that no insurance on any property should be valid to the insured, unless he had a good and perfect and unincumbered title thereto, and unless the true title of the insured be disclosed, and two persons made application for insurance upon a tannery

and the stock therein, and were insured jointly; and it turned out that one of them owned exclusively the building, and the other exclusively occupied it and owned the stock, the insurers were held.

It is quite certain that the word warranty need not be used, if the language is such as to import unequivocally the same meaning. And an indorsement made upon the policy before it is executed may take effect as a part of it.

A statement may be introduced into the policy itself, and be construed not as any warranty, but merely as a license or permission of the insurers that the premises may be occupied in a certain way, or some other fact occur without prejudice to the insurance.

A representation, in the law of insurance, differs from a warranty, in that it is not a part of the contract. If made after the signing of the policy or the completion of the contract, it cannot of course affect it. If made before the contract, and with a view to effecting insurance, it is no part of the contract; but if it be fraudulent, it makes the contract void. And if it be false, and known to be false by him who makes it, it is his fraud. To have this effect, however, it must be material; and there is no better test or standard for this than the question, whether the contract would have been made, and in its present form or on its actual terms, if this statement had not been made and believed by the insurers. If the answer is, that the contract would not have been made if this statement had not been made, it is material, otherwise not. The general rule is, that the statements in the application on a separate sheet have the effect only of representations, and do not avoid the policy unless void in a material point, or unless the policy makes them specially a part of itself, and gives them the effect of warranties.

A representation may be more certainly and precisely proved if in writing, but it will have its whole force and effect if only oral.

In some instances, by the terms of the policies, any misrepresentations or concealments avoid the policy. And it is held that the parties have a right to make such a bargain, and that it is binding upon them; and the effect of it would seem to be to give to representations the force and influence of warranties.

There seems to be this difference between marine policies and fire policies. In the former, a material misrepresentation avoids the policy, although innocently made; in the latter, it has this effect only when it is fraudulent. This distinction seems to rest upon the greater capability, and therefore greater obligation, of the insurers against fire to acquaint themselves fully with all the particulars which enter into the risk. For they may do this either by the survey and examination of an agent, or by specific and minute inquiries. If a *warranty* is broken, however innocently, it avoids all policies, whether material or not.

The question whether a statement which is relied upon as a representation be material, and whether there is or has been a substantial compliance with it (for this is all the law requires), seems to be for the jury rather than for the court. But it is not unfrequently determined by the court, as matter of law. And if the jury find the representation to be material, and to be false, the consequence follows as matter of law, and the policy is avoided.

Concealment is the converse of representation. The insured is bound to

state all that he knows himself, and all that it imports the insurer to know, for the purpose of estimating accurately the risk he assumes. A suppression of the truth has the same effect as an expression of what is false. And the rule as to materiality and a substantial compliance is the same. And we know no reason why the distinction above mentioned between fire policies and marine policies as to representation, should not be made, for the same reason, in regard to concealment. Indeed, in one respect adjudication has gone somewhat further. Where the by-laws of a company provide that a surveyor should always examine, report, etc., and there was a material concealment by the insured, the court say it was the duty of the insurers to examine for themselves, and their neglect shall not be permitted to operate to the injury of the insured; and the judge, delivering the opinion, adds: "I will never agree to extend to them (mutual fire insurance companies) the law as it has been settled in cases of marine insurance."

In another case, the plaintiff owned one of several warehouses, next but one to a boat-builder's shop which took fire, and on the same evening, after it was apparently extinguished, sent instructions to his agent, by extraordinary conveyance, for insuring that warehouse, without apprising the insurers of the neighboring fire. It was held that, although the terms of the insurance did not expressly require the communication of this fact, the concealment avoided the policy. In another, where, pending the negotiations for a policy, the insurers expressed an objection to insuring property in the vicinity of gambling establishments, and the applicant knew at the time that there was one on the premises, it was held that, if in the opinion of the jury the risk was materially increased by such occupancy, the policy should be avoided. So it seems that the fact that a particular individual had threatened to burn the premises in revenge for a supposed injury, should be disclosed to the insurer. And even the rumor of an attempt to set fire to a neighboring building should be communicated; because the insurer should be informed of any unusual fact, or any use of the building materially enhancing the risk.

Where the plaintiffs underwrote a policy on the household goods and stock in trade of a party, and after being informed that the character of the insured was bad, that he had been insured and twice burnt out, that there had been difficulty in respect to his losses, and he was in bad repute with the insurance offices, effected a reinsurance with the defendants without communicating these facts, and the property insured was shortly after destroyed by fire; it was held that there had been a material concealment, which avoided the policy, and whether occasioned by mistake or design was immaterial.

A pending litigation, affecting the premises insured, and not communicated will not vitiate the policy.

Insurers must be understood as knowing all those matters of common information, that are as much within their reach as in that of the insured; and these need not be especially stated. But any special circumstance, as a great number of fires in the neighborhood, and the probability or belief that incendiaries were at work, should certainly be communicated; and silence on such a point—especially if the place of business of the insurers was at a considerable distance from the premises—would operate as a fraud, and avoid the policy. And any questions asked must be answered, and all answers must be as full and precise as the question requires. If there were a provision in the policy, that a certain fact, if existing, must be stated, silence in reference to it would be fatal, however immaterial the fact. Concealment in an answer to a specific question can seldom or never be justified by showing that it was not material. Thus, in general,

nothing need be said about title. But if it be inquired about, full and accurate answers must be made.

Where the insurance company has, by the terms of the policy, a lien upon or interest in the premises insured, to secure the premium note, here it is obvious that any concealment of encumbrance or defect of title would operate as a fraud, and defeat the policy. But in all such cases it is probable that specific questions are put respecting the estate and title of the insured.

A requirement that all buildings standing within a certain distance of the property insured should be stated, might not always be considered as applicable to personal and movable property. Still, an insurance of chattels, described as in a certain place or building, would be held to amount to a warranty that they should remain there; or rather it would not cover them if removed into another place or building, unless, by some appropriate phraseology, the parties expressed their intention that the insured was to be protected as to this property wherever it might be situated. It is not uncommon to insure goods in course of transit against fire; but then it is usual to name the places from which and to which the goods are passing.

COMMERCIAL CHRONICLE AND REVIEW.

Public Debt Statement—Necessity for Publicity—Large Balance of Currency—Business for May—Monetary Affairs—Movement of Coin and Bullion—Prices of Gold—Course of Governments, Exchange, etc.

The advantages of publicity in reference to the doings of the National Treasury have just received a conspicuous illustration. For some weeks past indications of a positive character seemed to show that currency was being withdrawn from the circulation and locked up in Treasury vaults to so large an extent, and with such rapidity, that the withdrawal cramped business, checked the symptoms of recovery which were making incipient efforts to develop themselves, and at almost any other time of the year might have produced a temporary panic. The proofs that something wrong was going on were talked over in financial circles, and they were freely canvassed by the press; but if we had had no such means of auditing Mr. McCulloch's accounts as the monthly debt statement affords, we should still have been comparatively in the dark. As it is we know pretty fully the extent of the mischief; and in this case as in ten thousand others, to know the evil is to cure it. Rarely, indeed, have the doings of the Treasury for a single month presented so many serious anomalies, or been so difficult of vindication. By our comparative tables which occupy their usual place on another page, it will be seen that the currency balance in the Treasury has increased \$38,827,606, or more than a million a day on the average. The paralysis produced in business by locking up currency in large amounts, and suddenly abstracting it from the current of the circulation, have been often shown since the memorable occasion when Mr. Chase in 1864, "to knock gold down," was induced against his better judgment to adopt this mischievous expedient and brought on a panic in which more than a hundred millions of private property are estimated to have been sacrificed. The influence conferred by the control of the volume of our paper money, and the absolute power it gives over the movements of business, the course of prices, the fortunes of private citizens

the rise or fall of stocks, produce, merchandise of every kind—all this power is too much to be placed in hands where it can be exercised even for a few weeks in secret. The eye of the public should be ever on the movements of the currency, the increase or decrease which constitute, as it were, the thermometer of prices, the regulator of values, the standard measure controlling all exchanges between buyer and seller.

But the value of publicity is only one of the lessons taught us by the June statement of the National debt. The current of the circulating money having been depleted some 40 millions—how has it been done? The taxes paid into the Internal Revenue Department were not sufficient, if not a dollar had been disbursed. How, then, has Mr. McCulloch effected the transfer of 40 millions from the pockets of the people to the vaults of the Treasury? A glance at the official table answers the question. He has converted and sold for cash more than 61 millions of Five-twenty bonds, and has sold them at a low price in order to attract buyers, and to get rid of them at the average of two millions a day. He has made a concession in price in order to stimulate purchases. That the Secretary has sold these bonds for less than they would have fetched if they had not been hurried into the market is proved by the fact that during the three or four days which have elapsed since he stopped selling, the price has gone up $\frac{1}{4}$ per cent. This $\frac{1}{4}$ per cent might apparently have been gained for the Treasury had not so much urgency been used in getting in the currency rapidly, and had the sales of the new Five-twenty long bonds been allowed to run on gradually to 40 or 45 millions, to correspond with short obligations withdrawn, instead of being forced up to the extraordinary figure of 61 millions in four weeks. Thirdly, we may enquire why this sacrifice has been submitted to. For what purpose has so much currency been hoarded up by a costly and mischievous process? To what pressing emergency is it due that not only 8 per cent interest is paid for immense sums of money to be kept idle in the Government coffers, but that the ordinary balance is swelled by the sale of bonds for cash at a sacrifice? The accumulation cannot be necessary for the extraordinary payments on account of Compounds and Seven-thirties. For, as we showed last week, these payments during the entire months of June and July will require but 40 millions, all of which Congress was careful to provide for by directing that the annual taxes should be paid earlier than usual this year. We do not offer any explanation of the problem. The following extract from the *New York Times* gives a fair view of what is thought of the affair by those who usually approve and support Mr. McCulloch's general policy:

The finances of the month have the appearance of gross improvidence, eventuating in a currency balance at the close of the month almost double that of the 30th April—the result, we take it, of large sales of United States Five-twenties in the excess of the ability of the Treasury to re-invest the proceeds in Seven thirties or Compounds. The difference is over twenty millions, and the effect has fallen chiefly, week by week, on the New York money market, and in a two-fold measure—first, by locking up this excess in the currency in the Treasury, and secondly by making the brokers in the public funds, both great and small, the principal borrowers of money at bank and on the street, at extreme rates of interest, in their extreme competition as buyers at the Treasury, and their anxiety to turn a trifling rate of commission on large sums. That this state of things should not have been realized at Washington until the close of the month, or rather until the very day (June 3 or 4) of

making up the monthly schedule of the public debt, is not only surprising, but the subject of mortification, we have no doubt, to the Secretary of the Treasury, as well as a useful lesson for his future government in funding his temporary obligations. We feel quite sure the blunder will not be repeated, and to guard more strictly against its recurrence, it is to be hoped that less latitude will be allowed in future as between the daily sales or engagements and exchanges of the Five-twenties, and the purchase and exchange of Seven-thirties and CompoundJs. The eager and persistent applications of the brokers in government securities in May, to engage the Five-twenties in advance of their own sales, have undoubtedly wrought the present discrepancy. It was not the result of favoritism as between the large and smaller brokers in government securities, we dare say. It is more likely that the excessive sales of Five-twenties were run up by the anxiety of the officials of the Treasury to accommodate all parties, and to avoid even the semblance to partiality.

We repeat that we do not venture any solution of our own to this singular anomaly. It is well that by the publicity to which the Treasury doings are subjected the mistake was so soon discovered, and that the unnecessary mischief which might otherwise have been done has been averted.

The course of business during May has varied but little from what we have noted during several months past. Trade has been generally depressed, and the results of operations unsatisfactory. Merchants are beginning to comprehend that the present state of business is due, in a great part, to a general reaction from high prices, and are adapting their operations to the existing position of affairs, buying with extreme caution and carrying the lightest possible stocks. The tendency of this course of action is, evidently, to further precipitate the decline in prices; and on many classes of merchandise, especially dry goods, that result has been more or less observable.

Monetary affairs have, during the greater part of the month, shown a very decided tendency toward ease. There has been a steady flow of currency from the interior, and capital which has left active employment, owing to the risks peculiar to the times, has sought temporary investment in the public funds, causing an unusual firmness in National securities. But for the operations of the Treasury, this movement must have produced an extreme ease in money.

The following are the rates of loans and discounts for the month of May:

RATES OF LOANS AND DISCOUNTS.

	May 8.	May 10.	May 17.	May 24.	May 31.
Call loans	4 @ 6	4 @ 5	4 @ 5	4 @ 5	4 @ 5
Loans on Bonds and Mortgage....	6 @ 7	6 @ 7	6 @ 7	6 @ 7	6 @ 7
A 1, endorsed bills, 2 mos	6½ @ 7	6 @ 7	6 @ 7	6 @ 6½	6 @ 6½
Good endorsed bills, 3 & 4 mos...	7½ @ 8	6½ @ 7½	6½ @ 7½	6½ @ 7½	6½ @ 7½
" " single names.	8 @ 9	8 @ 9	8 @ 9	7½ @ 9	7½ @ 9
Lower grades	10 @ 18	10 @ 15	10 @ 15	10 @ 15	10 @ 15

The Secretary of the Treasury, however, in preparation for the semi-annual interest on the June and July series of Seven-thirties, and for the redemption of June and July Compound Notes, has found it necessary to largely increase its balances by the sale of bonds of Sixty-five and of gold. In consequence of these operations, the balances in the Sub-Treasury have increased from \$113,000,000 on May 1 to \$130,000,000 on the 30th; which, considering that about \$18,400,000 of coin interest has been paid out, while probably only \$5,000,000 of the customs receivable have remained unsold, would show that nearly \$30,000,000 of currency has been taken from circulation into the Treasury. This

movement has caused at the end of the month a partial stringency, and the rate on demand loans closes at 6@7 per cent. There has been considerable irregularity in connection with cotton bills, some important houses in that trade, on both sides the Atlantic, having failed; while there is much protested paper of firms not yet announced as having actually suspended. This condition of things appears to be due, to a large extent, to the reported refusal of the Bank of England to discount American cotton paper, a course which it is difficult to explain simply on grounds of banking prudence, but which may perhaps be accounted for from a peculiar regard in the Bank direction for Manchester interests.

The gold premium has been, upon the whole, firmer than last month. The balance of current maturing obligations has been against the United States, principally, it would seem in consequence of the payment of the Five-twenty coupons due to foreign holders, and over eight millions of specie have been shipped during the month. The demand for export has been partially met by sales from the Sub-Treasury; but still the premium has advanced from 135 at the opening of May to 138½ later.

The imports and exports of coin and bullion at the port of New York for the first quarter of the current year, and for the months of April and May, and since January 1, have been as shown in the following statement.

IMPORT AND EXPORT OF COIN AND BULLION.

	First Quarter.	April.	May.	Since Jan. 1.
Receipts from California.....	\$6,109,561	\$3,149,654	\$1,181,128	\$10,440,643
Imports from foreign ports.....	409,077	271,710	876,725	1,087,512
Total receipts.....	\$6,518,638	\$3,421,364	\$1,557,853	\$11,448,155
Exports to foreign ports.....	6,566,968	2,261,283	9,043,154	17,871,395
Excess of imports.....		\$1,160,061	\$.....	\$.....
Excess of exports.....	\$48,020		7,185,301	6,373,240

The following statement shows the amount of receipts and exports in May and since January 1, for the last seven years:

	—California Receipts—		—Foreign Imports—		—Foreign Exports—	
	May.	Since Jan. 1.	May.	Since Jan. 1.	May.	Since Jan. 1.
1867.....	\$1,181,128	\$10,440,643	\$312,000	\$992,787	\$8,807,000	\$17,135,241
1866.....	3,992,148	14,578,574	393,073	1,068,637	28,744,194	29,891,474
1865.....	1,367,661	8,191,843	177,086	815,791	7,255,071	12,716,218
1864.....	933,770	5,089,630	660,092	1,280,283	6,460,950	22,619,612
1863.....	776,123	6,487,787	197,317	743,771	2,115,673	19,264,189
1862.....	1,939,771	10,070,969	110,388	450,553	5,164,636	18,108,737
1861.....	1,977,877	15,118,026	3,436,812	20,522,515	128,9 0	8,005,196

The movement of specie at this port during the month shows that six millions have been received from unreported sources, the bulk undoubtedly having been derived from sales of gold by the Treasury. For the first five months of the year the movement shows a supply from sources of which there is no record, amounting to \$32,727,232, most of which, it is to be presumed, has come from Government sales.

GENERAL MOVEMENT OF COIN AND BULLION.

	1st quarter.	April.	May.	Since Jan. 1.
In banks near 1st.....	\$13,185,222	\$3,522,609	\$7,404,304	\$13,185,222
Receipts from California.....	6,109,561	3,149,654	1,181,128	10,440,643
Imports of coin and bullion.....	409,077	271,710	876,725	1,087,512
Coin interest paid.....	10,838,303	247,686	16,308,817	27,394,246
Total reported supply.....	\$30,542,463	\$12,191,599	\$25,270,474	\$52,077,623

Export of coin and bullion	\$6,560,953	\$2,261,283	\$9,643,154	\$17,871,395
Customs duties	33,170,648	9,511,075	9,634,637	52,316,400
Total withdrawn	\$39,737,586	\$11,772,358	\$18,677,851	\$70,187,795
Excess of reported supply	\$.....	\$419,241	\$6,592,623	\$.....
Excess of withdrawals	9,195,123			1,110,172
Specie in banks at close	8,522,609	7,404,304	14,617,000	14,617,060
Derived from unreported sources	\$17,717,732	\$6,985,063	\$8,024,437	\$32,727,232

COURSE OF GOLD AT NEW YORK, MAY, 1867.

Date.	Open'g	Lowest	High'et	Closing	Date.	Open'g	Lowest	High'et	Closing
Wednesday.....	1 185½	183	185½	185½	Tuesday.....	21 137½	137	137½	137½
Thursday.....	2 185½	186½	185½	185½	Wednesday.....	22 137½	137½	138½	138½
Friday.....	3 185½	185½	186½	186½	Thursday.....	23 138½	138½	138½	138½
Saturday.....	4 186½	185½	186½	186	Friday.....	24 138½	137½	138½	137½
Sunday.....	5				Saturday.....	25 137½	137	137½	137
Monday.....	6 185½	186½	187½	187½	Sunday.....	26			
Tuesday.....	7 137½	187½	188½	187½	Monday.....	27 136½	136½	137½	137
Wednesday.....	8 138½	187½	188½	187½	Tuesday.....	28 136½	136½	137½	136½
Thursday.....	9 188½	186½	188½	187	Wednesday.....	29 137	137	137½	137½
Friday.....	10 136½	136½	137½	137½	Thursday.....	30 137½	137½	137½	137½
Saturday.....	11 136½	136½	136½	135½	Friday.....	31 136½	136½	137½	136½
Sunday.....	12								
Monday.....	13 186½	185½	186½	185½	May 1867.....	135½	135	138½	136½
Tuesday.....	14 185½	185½	187½	187½	".....	136½	135½	141½	140½
Wednesday.....	15 186½	186½	187½	186½	".....	145½	145½	145½	187
Thursday.....	16 187	187	187½	187½	".....	177	168	190	180
Friday.....	17 137½	136½	137½	137½	".....	151	148½	154½	145
Saturday.....	18 137½	136½	137½	136½	".....	102½	103½	104½	103½
Sunday.....	19				".....				
Monday.....	20 136½	136½	137½	137½	s'ce Jan. 1, 1867.....	132½	132½	141½	136½

Business at the stock boards has been dull, and lower prices have prevailed. There has been a marked absence of that interest in speculative operations by the outside public which generally exists at this period of the year, and transactions have been almost entirely on brokers' own account. The total number of shares sold at both boards, during the month, has been 1,678,699, against 2,113,581 for April, and 2,514,451 for May, 1866.

VOLUME OF SHARES SOLD AT THE STOCK BOARDS, MAY, 1867.

	January.	February.	March.	April.	May.	5 mos.
Bank shares.....	2,461	1,929	3,425	3,518	4,451	15,384
Railroad	2,300,510	1,282,251	1,597,017	1,688,206	1,468,041	8,426,034
Coal	24,286	10,869	33,143	8,348	7,515	83,653
Mining	65,375	29,980	28,502	36,050	18,930	178,857
Improv't	20,344	13,950	41,975	30,000	41,900	131,669
Telegraph	49,501	33,837	84,616	67,275	42,671	217,919
Steamship	56,504	91,618	80,561	78,037	61,130	367,900
Expr's &c	4,703	6,409	6,562	12,128	34,411	64,213
At Exchange Board.....	765,350	634,121	672,926	820,157	642,614	3,535,177
At Open Board	1,658,325	841,243	1,152,876	1,908,424	1,036,085	6,991,952
Total 1867.....	2,423,674	1,475,363	1,825,802	2,118,581	1,678,699	9,517,129
Total 1866.....	2,459,517	1,743,431	1,968,839	1,754,439	2,514,451	10,411,377

United States securities have showed unusual activity. The amount of idle funds coming into the market has been exceptionally large, and the owners have shown a decided preference for Governments as a means of temporarily employing this capital. At the same time, Five-twenties have been firm in the foreign markets, and a moderate amount has been exported, which has further contributed to sustain prices. From a subjoined statement it will be seen that the sales at the Exchange show a large increase upon preceding months.

The amount of Government bonds and notes, State and City bonds, and com

pany bonds, sold at the Stock Exchange board in each of the past five months, and the total since Jan. 1, is given in the table which follows :

VOLUME OF BONDS, &c., SOLD AT THE EXCHANGE BOARD, MAY, 1867.

	January.	February.	March.	April.	May.	5 months.
U. S. Bonds.....	\$8,863,300	\$8,150,300	\$5,600,050	\$10,118,800	\$16,226,800	\$48,049,250
U. S. Not- ^{es}	1,938,300	1,764,850	1,089,480	1,122,150	1,30,100	7,044,730
S. & City B'ds.....	2,534,800	2,422,800	3,936,500	2,117,400	2,863,200	13,964,800
Co'y Bonds.....	732,500	732,300	731,500	680,400	930,800	8,826,900
Total, 1867.....	\$12,108,800	\$11,000,150	\$11,396,480	\$14,038,750	\$19,150,500	\$69,784,130
" 1866.....	12,156,700	9,822,000	10,622,940	12,056,150	12,279,450	56,936,140

The following are the closing quotations at the regular board each Friday of the last seven weeks :

	April 1 st .	Apr. 26.	May 3.	May 10.	May 17.	May 24.	May 31.
Cumberland Coal.....	29½	30½	30½	31	31	30	30
Quicksilver.....	29	29½	29½	30	30	29	29
Canton Co.....	43	42½	44	43	47	41½	43
Mariposa pref.....	...	20½	...	19½	...	17½	...
New York Central.....	97½	97½	98½	97½	97½	97	98½
Erie.....	53½	58	63½	63½	62½	58½	58½
Hudson River.....	...	91½	96½	97½	100½	100	102
Reading.....	99½	102½	104	103½	103	102½	103½
Michigan Southern.....	66½	67½	68½	67½	67½	66½	68½
Michigan Central.....	107½	...	108½	...	109½	...	...
Cleveland and Pittsburg.....	69½	70	72½	...	72½	71½	72
Cleveland and Toledo.....	112	113½	113	113	113	...	...
Northwestern.....	113½	33½	35½	34½	34½	31½	33½
" preferred.....	87½	59½	62	60½	59½	56½	57½
Rock Island.....	85½	88½	89½	89½	88½	87½	87½
Fort Wayne.....	92½	98½	97½	96½	96½	95	96½
Illinois Central.....	113½	111½	113½	114	114½	115	115½

The daily closing prices of the principal government securities are shown in the following statement :

PRICES OF GOVERNMENT SECURITIES AT NEW YORK, MAY, 1867.

Day of month.	—6's, 1881.— Comp.	Reg.	—6's, (5-30 yrs.) 1862, 1861, 1863,	Coupon— new.	5's, 10-40 yrs.	7-30's Comp.	1867.
Wednesday 1.....	110½	110½	107½	105½	107½	99½	106½
Thursday 2.....	110½	110½	107½	105½	107½	99½	106½
Friday 3.....	110½	110½	107½	105½	107½	99½	106½
Saturday 4.....	110½	.....	107½	105½	107½	.....	.....
Sunday 5.....	.....	.....	.....	.....	.....	.....	.....
Monday 6.....	111	110½	107½	105½	107½	99½	106½
Tuesday 7.....	111½	111½	107½	105½	107½	99½	106½
Wednesday 8.....	111½	.....	107½	105½	107½	99½	106½
Thursday 9.....	111½	111½	107½	105½	107½	99½	106½
Friday 10.....	111½	.....	108	106	107½	99½	106½
Saturday 11.....	111½	111½	108½	106½	107½	99½	106½
Sunday 12.....	.....	.....	.....	.....	.....	.....	.....
Monday 13.....	111½	111½	109	106½	108	99½	106½
Tuesday 14.....	.....	.....	108½	106	108	99½	106½
Wednesday 15.....	111½	.....	109½	106½	108	99½	106½
Thursday 16.....	111½	.....	109½	106½	108	99½	106½
Friday 17.....	111½	.....	109½	106½	108	99½	106½
Saturday 18.....	.....	.....	108½	106½	107½	.....	106½
Sunday 19.....	.....	.....	.....	.....	.....	.....	.....
Monday 20.....	111½	111½	109½	106½	108	99½	106½
Tuesday 21.....	.....	.....	109½	106½	108½	99½	106½
Wednesday 22.....	112	.....	109½	106	108½	99½	106½
Thursday 23.....	.....	112	109½	106	108½	99½	106½
Friday 24.....	.....	112	109½	106	108½	99½	106½
Saturday 25.....	111½	111½	109½	106½	108	99½	106½
Sunday 26.....	.....	.....	.....	.....	.....	.....	.....
Monday 27.....	111½	.....	109½	106½	108½	99½	106½
Tuesday 28.....	.....	.....	109½	106½	108½	99½	106½
Wednesday 29.....	111½	.....	109½	106½	108	99½	106½
Thursday 30.....	111½	.....	109½	106½	108	99½	106½
Friday 31.....	.....	.....	109½	106½	108	99½	106½
First.....	110½	110½	107½	105½	107½	99½	106½
Lowest.....	110½	110½	107½	105½	107½	99	106½
Highest.....	112	112	109½	106	108½	99½	106½
Range.....	1½	1½	2½	1½	1½	½	½
Latest.....	111½	111½	109½	106½	108	99½	106½

The quotations for three-years compound interest notes on each Thursday of the month have been as shown in the following statement :

PRICES OF COMPOUND INTEREST NOTES AT NEW YORK, MAY, 1867.

Issue of	May 2.	May 9.	May 16.	May 23.	May 30.
June, 1864.....	119 @119½	119 @119½	119 @119½	119½ @119½	119½ @119½
July, 1864.....	118½ @118½	118½ @118½	118½ @118½	118½ @118½	118½ @118½
August, 1864....	118 @118½	118 @118½	118 @118½	118½ @118½	118½ @118½
October, 1864....	117 @117½	117 @117½	117 @117½	117½ @117½	117½ @117½
December, 1864..	116 @116½	116 @116½	116 @116½	116½ @116½	116½ @116½
May, 1865.....	113½ @113½	114 @114½	114½ @114½	115½ @115½	115½ @115½
August, 1865....	119½ @119½	118 @118½	118½ @118½	114½ @114½	114½ @114½
September, 1865.	111½ @111½	112½ @112½	112½ @112½	114 @114½	114 @114½
October, 1865....	111½ @111½	112 @112½	112½ @112½	113½ @113½	113½ @113½

The first series of figures represents the buying and the last the selling prices at first-class brokers' offices.

COURSE OF CONSOLS AND AMERICAN SECURITIES AT LONDON—MAY, 1867.

Date.	Cons for mon.	Am. securities U. S. 5-30s	Ill. C. sh's.	Erie sh's.	Date.	Cons for mon.	U. S. 5-30s	Ill. C. sh's.	Erie sh's.
Wednesday.....	1 (Holl day.)				Sunday.....	19			
Thursday.....	2 91½	71½	75½	42½	Monday.....	20 98	73½	76½	44½
Friday.....	3 91	71½	75½	43	Tuesday.....	21 98	73½	76½	42½
Saturday.....	4 91½	71½	75½	43	Wednesday.....	22 93	73½	76½	42½
Sunday.....	5				Thursday.....	23 98½	73	75½	41
Monday.....	6 91½	71½	75½	42½	Friday.....	24 98½	73½	76½	41
Tuesday.....	7 91½	71½	75½	41½	Saturday.....	25 93½	73½	76½	39½
Wednesday.....	8 90½	71½	75½	40½	Sunday.....	26			
Thursday.....	9 91½	71½	75½	41½	Monday.....	27 93½	73½	76	39½
Friday.....	10 92	72½	76	42½	Tuesday.....	28 93½	73½	76½	39½
Saturday.....	11 92	72½	75½	43	Wednesday.....	29 94	73½	76½	40
Sunday.....	12				Thursday.....	30 94½	73½	76½	40
Monday.....	13 92	72½	76½	43½	Friday.....	31 95½	73½	77	40
Tuesday.....	14 92	72½	76½	43½					
Wednesday.....	15 92½	72½	76½	43½	Highest.....	95½	73½	76½	43
Thursday.....	16 92½	72½	77½	43½	Lowest.....	91	71½	73½	39½
Friday.....	17 92½	72½	76½	43½	Range.....	4½	1½	1½	3½
Saturday.....	18 92½	72½	76½	43½	Lowest since Jan. 1....	90	67½	72½	38½

The lowest and highest quotations for United States 6's (5 20 years) of 1862, at Paris and Frankfurt, in the weeks ending Thursday, have been as follows :

	May 2.	May 9.	May 12.	May 23.	May 30.
Paris.....	@90½	@..	@..	@..	@..
Frankfort.....	76½ @76½	76½ @76½	77½ @77½	76½ @77½	77½ @77½

There has been no report from Paris since the 1st of May.

Foreign Exchange has ruled for the greater part of the month at the specie shipping point. The large amount falling due on account of Five-twenty coupons held by foreigners, together with the failure of Frazer, Trenholm & Co. Liverpool, have been the principal causes of the firmness of the market. Toward the close of the month, the market experienced some relief from the offerings of bills against the sale of iron-clads to the French Government ; but upon the reduction of the Bank of England rate of interest to 2½ per cent, prime 60 days' sterling bills advanced to 110@½.

COURSE OF FOREIGN EXCHANGE (60 DAYS)—MAY, 1867.

Days.	London. cents for 64 pence.	Paris. centimes for dollar.	Amsterdam. florin.	Bremen. cents for rix daler.	Hamburg. M. banco.	Berlin. cents for thaler.
1.....	109½ @109½	540 @515	40½ @41½	78½ @79	36 @36½	71½ @72½
2.....	109½ @109½	517½ @518½	41½ @41½	79 @79½	36½ @36½	72½ @72½
3.....	108½ @109½	517½ @518½	40½ @41½	78½ @79	36½ @36½	72½ @72½
4.....	109½ @109½	530 @515	40½ @41½	78½ @79½	36½ @36½	74 @72½
5.....						
6.....	109½ @109½	515 @512½	41½ @41½	79 @79½	36½ @36½	72½ @72½
7.....	109½ @109½	530 @515	41 @41½	78½ @79½	36½ @36½	72½ @72½
8.....	109½ @109½	530 @515	41 @41½	78½ @79	36½ @36½	72½ @72½
9.....	108½ @109½	517½ @515	41½ @41½	78½ @79½	36½ @36½	72½ @72½
10.....	109½ @109½	515 @512½	41½ @41½	78½ @79½	36½ @36½	72½ @72½
11.....	109½ @109½	530 @515	40½ @41½	78½ @79½	26 @36½	72 @72½

12	109% @ 109%	530 @ 518%	41 @ 41%	78% @ 79%	86% @ 86%	72% @ 72%
13	109% @ 109%	518% @ 510%	41% @ 41%	79 @ 79%	86% @ 86%	72% @ 72%
14	109% @ 109%	518% @ 512%	41% @ 41%	79 @ 79%	86% @ 86%	72% @ 72%
15	109% @ 110%	518% @ 511%	41% @ 41%	79% @ 79%	86% @ 86%	72% @ 72%
16	109% @ 110%	518% @ 511%	41% @ 41%	79% @ 79%	86% @ 86%	72% @ 72%
17	109% @ 109%	518% @ 512%	41% @ 41%	79% @ 79%	86% @ 86%	72% @ 72%
18	109% @ 109%	518% @ 512%	41 @ 41%	79% @ 80	86% @ 86%	72% @ 72%
19						
20	109% @ 109%	518% @ 512%	41 @ 41%	79% @ 80	86% @ 86%	72% @ 72%
21	109% @ 109%	518% @ 512%	41 @ 41%	79% @ 80	86% @ 86%	72% @ 72%
22	109% @ 109%	518% @ 512%	41 @ 41%	79% @ 80	86% @ 86%	72% @ 72%
23	109% @ 109%	518% @ 512%	41 @ 41%	79% @ 80	86% @ 86%	72% @ 72%
24	109% @ 109%	518% @ 512%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
25	109% @ 109%	517% @ 512%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
26						
27	109% @ 109%	518% @ 511%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
28	109% @ 110	518% @ 511%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
29	109% @ 110	518% @ 511%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
30	109% @ 110	512% @ 511%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
31	109% @ 110	512% @ 511%	41% @ 41%	79% @ 80	86% @ 86%	72% @ 72%
May	109% @ 110	530 @ 510	40% @ 41%	78% @ 80	86 @ 86%	71% @ 72%
Apr	108% @ 110	528% @ 512%	40% @ 41%	78% @ 79%	85% @ 86%	71% @ 72%
Mar	108 @ 109%	525 @ 515	40% @ 41%	78 @ 79%	85% @ 86%	71% @ 72%
Feb	108% @ 109	523% @ 515	40% @ 41%	78% @ 79%	86 @ 86%	71% @ 72%
Jan	108% @ 109%	520 @ 513%	41% @ 41%	78% @ 79%	86% @ 86%	72 @ 72%
Since Jan. 1	108 @ 110	525 @ 510	40% @ 41%	78 @ 80	85% @ 86%	71% @ 72%

Short Exchange on London has ranged from 110 to 110.4

JOURNAL OF BANKING, CURRENCY, AND FINANCE

Return of the New York, Philadelphia and Boston Banks.

Below we give the returns of the Banks of the three cities since Jan. 1 :

NEW YORK CITY BANK RETURNS.

Date.	Loans.	Specie.	Circulation.	Deposits.	Legal Tend's.	Ag. clear'gs
January 5	\$387,832,460	12,794,892	32,762,779	202,552,564	65,028,121	426,967,787
January 12	358,985,468	14,618,477	32,825,103	202,517,076	63,248,370	605,132,006
January 19	255,032,223	15,865,307	33,854,928	201,500,115	63,235,384	590,040,028
January 26	261,674,801	16,014,007	32,967,186	197,952,076	63,426,569	568,822,844
February 2	251,264,355	16,323,98	32,395,347	200,511,596	65,944,541	512,447,256
February 9	250,968,935	16,157,257	32,777,00	198,341,635	67,628,992	508,825,539
February 16	253,131,328	14,797,626	32,956,309	196,072,292	64,642,940	455,833,829
February 23	257,623,994	13,518,456	33,000,141	193,420,847	63,153,896	413,574,086
March 2	261,160,436	11,679,881	33,294,438	198,010,914	61,014,195	461,534,516
March 9	262,112,468	10,268,103	33,409,811	200,233,637	64,523,440	514,173,226
March 16	263,012,972	9,968,722	34,000,681	197,958,001	62,513,039	496,558,19
March 23	259,400,315	9,439,913	33,519,401	193,755,605	60,904,458	472,023,88
March 30	255,382,364	9,522,609	33,669,195	189,480,260	62,459,811	459,860,602
April 6	254,470,087	8,123,811	33,774,573	183,861,269	59,021,775	511,835,184
April 13	250,102,178	8,856,229	33,702,047	182,861,286	60,207,515	535,948,463
April 20	247,561,781	7,622,585	33,648,571	184,090,256	64,006,916	447,814,375
April 27	247,787,881	7,404,304	33,601,285	187,674,841	67,940,851	446,484,422
May 4	250,871,658	9,909,177	33,571,747	195,721,072	70,537,407	559,560,113
May 11	253,682,629	14,957,590	33,595,869	200,342,832	67,998,639	524,319,769
May 18	257,961,874	15,567,252	33,633,301	201,436,864	63,528,601	503,675,793
May 25	256,061,805	14,068,067	33,697,252	193,673,345	60,562,440	431,732,829

PHILADELPHIA BANK RETURNS.

Date.	Legal Tenders.	Loans.	Specie.	Circulation.	Deposits.
January 5	\$20,209,064	52,312,317	908,963	10,388,820	41,308,327
January 12	20,006,255	52,528,491	103,320	10,380,577	41,023,421
January 19	19,448,099	53,450,307	877,648	10,381,585	30,048,654
January 26	19,363,274	52,168,473	880,682	10,374,683	39,001,779
February 2	19,269,128	55,351,180	871,664	10,430,818	39,592,712
February 9	19,659,250	52,284,849	873,614	10,419,982	39,811,595
February 16	18,892,747	52,573,130	867,110	10,522,972	40,660,771
February 23	17,847,598	52,594,721	841,223	10,596,434	38,646,013
March 2	18,150,657	51,779,173	816,843	10,512,000	39,307,288
March 9	17,527,705	51,851,403	834,755	10,572,068	37,814,972
March 16	16,955,603	50,518,294	858,022	10,580,911	37,526,001

March 23	16,071,780	50,572,190	807,438	10,611,957	34,515,545
March 30	15,864,943	50,880,306	602,148	10,631,532	34,150,286
April 6	15,882,745	50,998,231	64,719	10,651,615	33,794,593
April 13	16,188,407	51,253,776	546,623	10,645,897	34,827,683
April 20	16,582,346	51,611,444	486,535	10,647,234	35,220,580
April 27	6,787,011	51,890,959	384,817	10,638,021	36,234,870
May 4	17,196,553	53,064,267	380,053	10,639,693	37,371,064
May 11	17,278,919	53,474,833	408,703	10,627,933	38,172,169
May 18	18,770,491	53,826,320	402,978	10,630,581	38,220,833
May 25	16,019,180	53,536,170	369,153	10,635,520	37,775,758

BOSTON BANK RETURNS.

(Capital Jan. 1, 1866, \$41,900,000.)

	Loans.	Specie.	Legal Tenders.	Deposits.	Circulation.	
					National.	State.
January 7	\$97,008,42	1,183,451	17,033,367	40,824,618	24,680,867	212,664
January 14	94,417,773	1,334,300	16,829,36	40,246,216	24,997,446	311,749
January 21	95,398,952	1,078,160	16,591,499	38,679,604	24,775,162	301,911
January 28	97,891,329	1,058,329	16,816,481	39,219,241	24,716,597	302,298
February 4	97,742,461	956,569	16,344,604	39,708,065	24,691,075	306,014
February 11	97,264,162	873,396	17,103,479	39,474,859	24,686,663	305,628
February 18	96,949,438	923,940	15,398,338	38,900,50	24,765,420	303,601
February 25	96,331,900	770,474	15,741,046	37,893,943	24,953,006	303,223
March 4	95,051,727	958,387	14,981,103	38,316,573	24,675,767	301,430
March 11	2,078,975	695,447	15,19,479	39,712,052	24,344,631	305,8
March 18	93,156,446	698,94	16,270,979	39,751,733	24,809,523	299,133
March 25	92,661,060	516,184	16,557,905	39,711,721	24,738,723	299,001
April 1	91,723,34	433,113	17,12,423	37,056,388	24,848,876	296,635
April 8	91,679,519	454,731	16,860,413	37,258,775	24,851,522	296,011
April 15	91,712,414	376,318	16,815,335	37,218,525	24,833,819	287,201
April 22	92,472,815	348,712	16,543,598	38,207,548	24,852,200	286,701
April 29	92,353,922	329,851	16,923,564	37,837,093	24,811,437	284,382
May 6	92,671,149	59,873	16,571,730	38,721,769	24,784,332	283,566
May 13	92,428,114	517,697	16,532,421	38,504,761	24,804,992	283,314
May 20	92,682,587	507,806	16,469,319	37,874,82	24,893,469	284,491
May 27	92,223,677	441,073	16,883,361	37,132,051	24,803,860	280,961

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The following advertisements appear in our advertising pages this month:

MERCANTILE.	Engene Kelly & Co.—36 Wall St.
Lille's Fire & Burglar-Proof Safes—198 B'way	DeWitt, Kittle & Co.—88 Wall St.
Fowler & Wells—859 Broadway.	Simon De Visser—52 Exchange Place.
L. Prang & Co.—Boston and New York—Holiday Publications, etc.	Duncan, Sherman & Co.—Cor Pine & Nassau.
Howard & Co.—619 Broadway—Diamonds, Watches, Holiday Gifts, etc.	L. P. Morton & Co.—30 Broad Street.
Mercantile Library—Clinton Hall, Astor Place and Eighth St.	Robinson & Ogden—4 Broad St.
Ferdinand Korn—191 Fulton St.—Eau de Cologne.	Howe & Macy—30 Wall St.
Lewis Andeudried & Co.—10 Broadway—Anthracite and Bituminous Coal.	Gilmore, Dunlap & Co.—Cincinnati.
Kellogg's U. S. Mercantile Register for 1867-8.	Lewis Johnson & Co., Washington.
A. B. Sands & Co.—139-141 William St.—Drugs	Ninth National Bank—363 Broadway.
J. W. Bradley—97 Chambers St.—Hoop Skirts.	INSURANCE.
Chickering & Sons—632 Broadway—Pianos.	New York Mutual Insurance Co.—61 William St.
BANKERS & BROKERS.	Fidelity Insurance Co.—1 Broadway.
Tenth National Bank—236 Broadway.	Marine—Atlantic Mutual Ins. Co.—51 Wall St.
Barstow, Eddy & Co.—26 Broad St.	Mercantile Mnt. Ins. Co.—25 Wall St.
Lockwood & Co.—94 Broadway.	Orient Mutual Ins. Co.
Vermilye & Co.—44 Wall St.	Sun Mutual Ins. Co.—49 Wall St.
	Great Western Insurance Co.
	Fire—Hope Fire Ins. Co.—92 Broadway.
	Germania Fire Ins. Co.—175 Broadway.
	Etna Insurance Co.—Hartford.
	U. S. Life Insurance Co.—40 Wall St.



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